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The Nation's Business

Dr. Hogg Appointment Is Important Step

THE appointment last week of Dr. T. H. Hogg as chairman of the Ontario Hydro-Electric Commission is of much more than provincial significance. Not only is it a tribute to the engineering profession and to the merit system in public appointments but it marks the final liquidation of the mistaken policy of hydro contract repudiation upon which Prime Minister Hepburn embarked some two and one half years ago.

No policy which Mr. Hepburn espoused in his first three years of office was more bitterly assailed by friend and foe alike than his Hydro contract repudiation. But one by one those who officially sponsored or condoned the initial impulsive step have disappeared and the appointment of Dr. Hogg marks final liquidation of the old, mistaken policy.

To mention but a few of the changes that have taken place, the old Liberal Toronto Globe, which reluctantly approved the repudiation, has been replaced by a new Globe and Mail, which has bitterly attacked the repudiation policy. Hon. Arthur Roebuck (the man most directly responsible for repudiation) whose resignation as Attorney-General was asked last spring at the time of the C.I.O. fight at Oshawa, has ceased to be a vital influence at Queen's Park. Now comes the resignation of T. Stewart Lyon, under whose tenure of office, as chairman of the Commission, the repudiation policy was carried through. Mr. Hepburn alone remains of those who were originally part and parcel of this policy and he apparently has had the wisdom to reverse his earlier judgment.

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THROUGH long years of excellent service to the Commission, Dr. Hogg has well earned the chairmanship of this $340 millions enterprise. With his appointment, Ontario consumers can feel more secure that their broad, long-term interests in respect of adequate power supplies are being looked after. Similarly investors in the many power enterprises which look to Ontario as an outlet for their product can feel reasonably certain that they will receive a square deal in the future.

Closely watched will be the degree to which politics are allowed to govern the future policies of this important enterprise. The very fact that a man of Dr. Hogg's standing has been appointed chairman is an important step in the right direction.

The Ontario people through their Legislative representatives have every right to be concerned about H.E.P.C. in the same way that shareholders of any company have a right to question and obtain information on a company in which they hold stock. Beyond that the directors of the concern (which in this case are Dr. Hogg and his fellow commissioners) should be given a free hand in the general policies and operating details of the enterprise.

It will be the degree to which Dr. Hogg insists on this independence of management, whether it is in regard to long-term power supplies or fiscal policies of the Commission, that his tenure of office will be judged.

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Quiet Session For British Columbia

JUDGING by last week's address from the throne, the B. C. Government does not plan to embark on any new scheme involving heavy capital expenditure during its present session, nor has it any intention of making further costly experiments in social legislation just now. In view of the condition of British Columbia's finances at present this marking-time attitude is commendable, for in spite of record revenues during the last fiscal year, the gross provincial debt rose more than $5 millions, and current financing went behind $2.6 millions. Obviously, the sane course at this time is for British Columbia to go slow in matters calling for large expenditure, which appears to be the course being followed.

Especially to be commended is the decision of the Government, as announced recently by Premier Pattullo, to leave in abeyance the health insurance scheme hastily enacted two years ago in the face of opposition from industry, business and medical men who were quick to see the plan's economic defects.

Health insurance, to be effective, must be a national measure, not a provincial one. Mr. Pattullo's intimation that his Government intends to await the survey of the Rowell Commission before proceeding with health insurance is an indication that the B. C. premier recognizes that fact.

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Turner Valley Looks on Bright Side

ALBERTA'S Turner Valley has, when the statistics of the past 16 months are considered, had an enviable record, compared with most new oil fields. Since, June, 1936, when the discovery well, Turner Valley Royalties, blew in, some 23 wells have been completed in the valley. Of these, only three have proven to be non-commercial.

As a matter of economics, Turner Valley's oil production has grown

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Shift in Policy Of Ont. Hydro Is Now Seen

Hogg Appointment Brings Practical Engineer to Chairmanship

CURB ON POLITICS

By GUY S. CUNLIFFE,
Staff Writer, The Financial Post

Appointment of Dr. T. H. Hogg, former chief engineer, as chairman of the Ontario Hydro Commission this week, launched another phase in the evolution of the Hepburn Hydro policy.

The appointment is interpreted as reflecting the Government's reversion to practical realities.

It marks willingness to allow the commission to be guided by the necessities of power demand and supply. It indicates recession of political influence and traditional idealism in Hydro. The Government has tacitly declared its reliance on the engineering division of Hydro to guide its policies.

Power Demand Growing

This reliance is seen as paving the way for acceptance of warnings by Hydro engineers — that sources within Ontario were inadequate or could not be developed in time to meet the growing power demand; and that Quebec offered the sole source of needed power for the time being. The extent of such acceptance will naturally be modified by circumstances and influences other than straight engineering findings, but at least it would appear that engineering advice will carry more weight than in the past.

In any event, the new appointment and the implied revision of Government-Hydro policy has promoted a degree of assurance among two groups—Ontario industrialists because of the prospect their power needs will be met, and Quebec power company investors because of the hope of increased power purchases.

Five Previous Phases

The previous five phases of Hepburn Hydro policy were:

1. Complete repudiation of Quebec power contracts and insistence on Ontario's self-sufficiency to meet both existing and potential power needs, paralleled by ascendancy of A. W. Roebuck as attorney-general and Hydro Chairman Lyon with his "Back to Niagara" slogan.

2. Modification of this attitude as reflected by new and smaller contracts with Gatineau Power Co. and Maclaren-Quebec Power Co., on a short-term (10-year) basis at a lower rate.

3. Further modification to pave the way for purchase of more Quebec power, a development signalized if not promoted by the antirepudiation policy of The Toronto Globe under its new ownership, and later by the revised full capacity contract with Ottawa Valley Power Co. on a 34-year basis.

4. Decline of the influence of Attorney-General Roebuck, culminating in his dismissal following his split with Mr. Hepburn on the C. I. O. issue.

5. Retirement of Chairman Lyon and his replacement by a man with an entirely different viewpoint, though Premier Hepburn insists there was no disagreement as to policy with Mr. Lyon.

This week's development does not imply any substantial abandonment of Ontario's traditional adherence to public ownership. Dr. Hogg has already declared his desire to see Ontario water power resources developed to the greatest practical degree to supply Ontario's needs.

Dr. Hogg's association with the Hydro Commission over nearly a quarter of a century has been, until recently, as hydraulic engineer. Perhaps more than any other individual, he is an authority on where Ontario can develop power, the feasibility of such projects, and how far they would go toward meeting demand. On his surveys as to future sources were largely based the engineering recommendations which led to the original Quebec power purchases, and he functioned for years as Commission and Government representative in the surveys which produced the St. Lawrence Waterway power and navigation scheme.

Statement Guarded

On matters of general policy and on the immediate question of how much extra Quebec power was to be bought and from whom, Dr. Hogg refrained from making a pronouncement. He issued a brief statement in which he indicated broadly his views on Hydro problems. After

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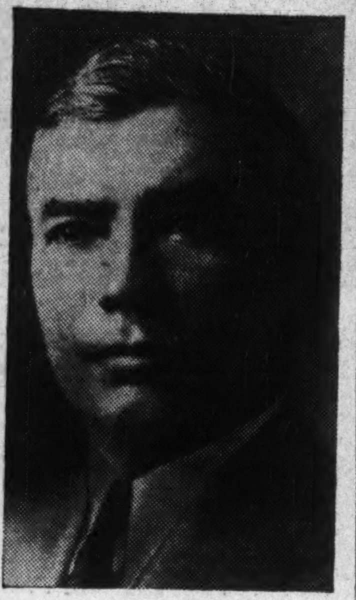

DR. T. H. HOGG
Newly appointed chairman of the Hydro-Electric Power Commission of Ontario.

Disputed Bills Go to Courts

But Right to Disallow Alberta Statutes Reserved

From Our Own Correspondent

OTTAWA.—The Federal Government has acceded to the general proposition of Premier William S. Aberhart that the courts should pass upon the constitutionality of Social Credit legislation from which Lieutenant-Governor J. C. Bowen of Alberta recently withheld his signature. But it has done so without prejudice to its right to disallow later any of the bills which the courts may approve.

This, in substance, is the situation with respect to the Newspaper Censorship Bill, the Bank Taxation Bill, and the Credit Regulation Bill.

While Mr. Aberhart was willing to have the newspaper censorship bill sent to the Supreme Court for its opinion, in respect to the Bank Taxation Bill and the Credit Regulation Bill, he urged that the Lieutenant-Governor's assent be given them and that they become law within the province immediately. After that they could be attacked in the courts in a series of stated cases. The reason Mr. Aberhart wanted this special treatment in the cases of the bank and credit bills was his contention that unless they were in force—even though litigation attacking them might be instituted immediately—the introduction of Social Credit to the province could not be proceeded with.

U.S. Sounding Ottawa Stand In Jap Crisis

Hull Reported to Have Canvassed Whole Situation With King

B. C. ARMAMENTS

By STAFF WRITER

OTTAWA.—There is reason to believe that when Secretary of State Cordell S. Hull, of the United States, was in Canada recently he took particular pains to sound out official Canadian opinion on President Roosevelt's recent Chicago speech attacking treaty-breakers. In well-informed circles here, it is believed that Mr. Hull's primary purpose in coming to Canada was to determine the probable course of action this country would pursue in the event of difficulties arising between the United States and Japan.

These observers say that Mr. Hull discussed with the Prime Minister a number of specific points.

If war broke out between the United States and Japan would Canada remain neutral?

If Japan sought to use British Columbia as a base of military, naval or air attack upon the United States would Canada resist the effort?

Is the country adequately prepared for defense against Japanese aggression?

Would British support for Canadian defense be sought and obtained, if necessary to protect the Pacific coast?

Mr. Hull is understood to have called the attention of authorities in Ottawa to the fact that Japan today occupies on the continent of Asia or is on the verge of occupying territory as extensive as the entire United States east of the Mississippi and comprising a population of 100 million people.

Defense Programme

What Canadian officials may have replied to Mr. Hull is not known. But it is to be assumed that the Prime Minister told Mr. Hull that Canada's moderate defense programme had been largely concentrated upon improving the defenses of the western coast against a possible invader from the Orient and that in planning these defenses the obvious necessity of co-ordinating American and Canadian strategy had been considered.

The enlarged national defense budget of $37 millions adopted at Ottawa last spring involved a gross increase of $16.5 millions over the previous year's appropriation.

Canadian Obligation

Officially, the jump in defense outlay, was to preserve Canada's neutrality and protect the nation's foreign trade outlets in event

(Continued on page 2, col. 3)

U.S. Publishers Change Tactics In Price Fight

Drive on to Force Acceptance Great Northern's $48 Schedule

PAPER-MAKERS FIRM

From Our Own Correspondent

MONTREAL.—American publishers' campaign to force Canadian and U. S. paper mills to meet Great Northern's price of $48 a ton for the first half of 1938 is growing in intensity and along new lines.

Under leadership of the American Newspaper Publishers Association, a determined effort is being made to "break" the ranks of Canadian and U. S. producers and secure adoption of a uniform price policy on the basis set by Great Northern.

Practically every important producer of newsprint in the two countries has notified its customers that for the first half of 1938 there will be a minimum charge of $50 a ton for paper. Outstanding exception is Great Northern Paper Co., which announces a price of $48 for the first half of 1938 and $50 for the last half of the year.

Customers are Favored

There are approximately 1,900 publishers in the States and of this number about 200 are served by Great Northern. The latter's output is limited to 300,000 tons of paper a year at capacity. This is only a small percentage of the total American consumption, but the other 1,700 publishers feel that they will be at a definite competitive disadvantage unless other producers do away with the $2 a ton differential.

Favored by the differential are Great Northern's largest customers, the Scripps-Howard chain of 24 newspapers, the New York Herald Tribune, the New York Sun and some 175 other papers.

The view expressed by American publishers to Editor and Publisher is that the newsprint operators are entitled to a better price for their product, but the $2 differential between Great Northern and the other producers should be eliminated. There is, at the same time, a determined but weakening resistance to the relatively sharp advance proposed for next year on the basis that publishers are not in a position to absorb the additional cost of paper.

Leader of Opposition

W. G. Chandler, chairman of the A.N.P.A. Newsprint Committee has stated that in view of the higher cost for labor, newsprint and other materials entering into publication, the publishers must advance their circulation and subscription rates or reduce the amount of paper now being used to offset the higher cost. Further he has urged publishers to register their protest to the manufacturers against next year's price.

It is pointed out by Mr. Chandler and other publishers that wages paid are now ahead of the 1929 level. Newsprint manufacturers, on the other hand, maintain that at $50 a ton, newsprint is still 20% below the 1929 and 1930 levels and, Canadian newsprint wage rates, like publishers' payrolls, are also higher than in 1929.

Publishers Switch Tactics

It is apparent from the publicly expressed views of the leading American publishers that it is the intention to make the price disparity between that announced by Great Northern and the other manufacturers a point of issue in order to force the price down to a common level of $48 a ton. There is no indication that the $48 a ton rate is unreasonable. Seemingly the publishers are convinced that they will have to pay a higher rate for their paper next year and the drive now is directed toward limiting the increase to $5.50 a ton, or $48 a ton for the first half of next year.

"Capitalizing Their Mistakes"

Mr. Chandler, in addition to his position as chairman of the A.N.P.A. Newsprint Committee, is also general business manager of Scripps-Howard Newspapers. He leads the attack by saying newsprint price disparity between competing publishers will create an impossible situation. Further, he says:

"Canadian politicians and bankers are capitalizing their mistakes in securities new and old, expecting U. S. publishers to pay. I am confident they underrate publishers' resourcefulness, initiative and memory."

More Moderate View

A moderate view is expressed by Clark F. Waite, president, Southern California Associated Newspapers, when he says:

"American publishers may not be entirely free from blame for the

(Continued on page 2, col. 1)

Canadian Markets Cut Margin Requirements

Plan is Complete For Western Steel

Officers Elected and Exchange of Securities Soon Ready

Western Steel Products Corp., formed in the reorganization of Western Steel Products is now operating under its own management, the receiver and manager of the predecessor company having been discharged as at Nov. 1. The reorganization was approved by all classes of security holders and creditors in June.

Arrangements are now being made for the exchange of securities, and formal notices will be issued shortly. The receiver's certificates are to be settled by the issue of $700,000 of 5% first mortgage bonds and bank borrowing of $300,000. Present bondholders are to receive five shares of new common for each $100 of bonds. Preferred shareholders receive share for share, and common shareholders receive one new for 80 old. Prereceivership creditors receive 1½ new common shares for each $100 of claims. It is understood that the company is benefitting from improved business conditions.

Directors of the new company are as follows:

James A. Richardson, Winnipeg; G. W. Hutchins, Winnipeg; E. S. Sargeant, Toronto; A. F. Culver, Montreal; R. J. Gourlay, Winnipeg; F. E. Halls, Winnipeg; L. L. Lang, Waterloo.

Move Follows Similar Step on U. S. Exchanges

Marked reductions in the minimum margin requirements enforced by the Toronto and Montreal Stock Exchanges have been announced to take effect Thursday, November 4.

This move on the part of the Exchange authorities followed by a few days a somewhat similar move on the New York Stock Exchange, where minimum margin requirements, by which is meant the minimum amount which must be advanced by the client for the purchase of any stock, were reduced to 40 per cent.

The move in New York, which was also accompanied by an increase in the marginal requirements on short sales, was aimed at stimulating activity in a market whose lack of action had presumably created some concern at Washington. While only a few days trading under the new New York requirements have been experienced since margin requirements were reduced, the reaction on prices has not initially been as sharp as some had predicted.

The following tables show the new marginal requirements as compared with the old. These requirements, of course, apply to both mining and industrial stocks and to both purchases and short sales. Montreal has stipulated that on short sales, a minimum of 33-1/3% of selling price be forthcoming.

New Margin Requirements

Price of stock	Marginal requirements
Under $1	Cash
$1 and under $4	†40%
$4 and under $40	33⅓%
$40 and over	30%

Former Requirements

Under $1	Cash
$1 to $3	‡50%
$3 to $10	40%
$10 and over	35%

†With a minimum of 65 cents a share.
‡With 65-cent minimum.

Highlights

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Atticus gives impressions of his visit to Canada and the United States. Page 3

Making Placer Miners
B. C. Government adopts prospector's idea to turn untrained youths into self-supporting miners. Page 22

That Wildcat—Gold
John T. Flynn presents a case for abandonment of U. S. gold purchase plan and a free gold market. Page 23

Nova Scotia Waits
Dr. H. L. Stewart discusses the province's attitude to the Rowell Commission. Page 20

National Motor Show
Canada gets its first view of 1938 automobile models. Page 13

Home Owning
Wisdom of buying your home has been questioned. Realities in real estate. Page 15

Hon. Eric Cross
Ontario's new minister of municipal affairs will push municipal reestablishment. Page 14

Planned Purchases
W. D. Black, prominent Canadian executive, suggests a method of levelling peaks and depressions. Page 11

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What's Happened to Mining Dollar

While mining markets this year have had their ups and downs, the fact remains that actual property development has been carried out across Canada at a tempo seldom, if ever, equalled before. Many millions have been spent from private and public funds during the season just ending. What has been the result of all this? How much farther ahead is the mining industry today than it was a year ago? These, and other evaluations of the season will be dealt with in a special article scheduled for The Financial Post next week.

Pete Acquires Ecuador Tract

International Petroleum Co. has completed negotiations with the Government of Ecuador for the right to explore and develop a 500,000-acre tract in that country. The new ground is located near Manta, on the Pacific coast, about 100 miles north of the Santa Elena field from which most of the country's oil production now comes.

The company has not been active in Ecuador recently, although a moderate amount of work was done some years ago on various properties in the Santa Elena area. The ground to be explored under the new agreement is entirely undeveloped. No financial consideration is involved in the deal.

Trust Operations Point Way For Average Stock Investors

Recent Buying and Selling of Large Canadian Companies are Surveyed—Long Term Picture Counters Depression Talk

By A. D. ELLWOOD
Staff Writer, The Financial Post

Is the time ripe for the private investor to get back in the stock market?

Should the average buyer seize the present opportunity to secure lower priced stocks and take advantage of the next rise in prices?

Or should he liquidate present holdings and await another drop in prices?

To get the answers The Financial Post asked the men who manage important Canadian investment trusts, men who handle investments aggregating $35 to $40 millions.

Briefly they said:

(1) Business conditions do not justify pessimism in Canada which is free from some of the worrying factors of the United States situation. They have little fear that we are on the verge of another depression.

(2) It is not so definite that prices have reached the bottom.

In all their comments the entire emphasis was placed on the long term view—investment as emphatically opposed to speculation—and investment for an assured income without too much stress on capital appreciation.

Market Policy

Generally the investment trusts have attempted to improve the quality of their portfolio during the present unsettled market conditions. They have been;

(1) Selling the more speculative classes of United States stocks and reinvesting in selected Canadian preferreds.

(2) Selling the popular favorites of two years ago—the inventory stocks.

(3) Avoiding stocks of companies susceptible to Government interference.

(4) Considering with more favor the dividend golds.

(5) Checking company management closely before investing and then only considering established businesses with good earnings records.

Advised to Sell in March

Last March an executive of an investment group received a telegram from New York advising him to begin lightening his portfolios. This was about the time that commodity prices first turned definitely downward but stock prices were still around the high level for the year.

In August another telegram from the same source strongly advised selling all stocks. A policy of disposing of the more speculative classes of American stocks was started. Funds realized from this move were placed in selected Canadian preferred stocks as it was felt that Canadian conditions were fundamentally better than those in the United States.

This group has been following a policy based on established British procedure. It stresses the desirability of investing for income rather than for capital appreciation. Recent purchases of stocks have been largely confined to Canadian securities which would qualify under Canadian law as legal investments for insurance companies or at least closely approached this standard. A long-term record of good earnings is considered to be a fair assurance a company will be able to weather any difficulties and be able to continue the payment of dividends.

This man, and his associates, are conservative in their investment policy at present. They are not convinced that the decline in stocks has run its course but feel that purchases of the stocks of established companies with good records are more desirable than high-grade bonds.

Inflation Still Problem

Investment to this group is not a matter of buying a stock and holding it for a month or two in the hope of realizing a large capital appreciation. It is a longer term policy that extends over a period of from one to two years. Their natural inclination toward conservatism might turn their attention more favorably toward high-grade bonds were it not for a realization that the danger of inflation has not entirely passed.

Here again government interference with business, heavy taxation and government action based on political expediency were considered basic reasons for the admittedly uncertain outlook.

Downward course of commodity prices has been both a symptom and a cause of concern to the investor. A couple of years ago the so-called "inventory" stocks were widely recommended as the best purchases. This year companies which held large inventories at the beginning of the year, bought in expectation of further price rises, are hit by a reversal of the trend and appear likely to make a comparatively poor showing. Among specific instances were mentioned rubber manufacturing companies, those fabricating cotton or woollen goods, or metals such as copper, zinc or lead.

Another investment authority advises investors to avoid a situation where government interference has made itself felt. There are plenty of industries left where companies are left comparatively free to work against natural competition. These are regarded as the situations where investors seeking to follow a long-term policy of careful investment should concentrate. Utility companies were mentioned as particularly subject to this type of interference.

Good stocks are the only ones that should be considered and

(Continued on page 2, col. 6)

Abitibi Mortgage Validity Upheld

Validity of the Abitibi mortgage was upheld by Mr. Justice Kingstone, in his judgment handed down at Osgoode Hall on Nov. 3. Bondholders are thus confirmed in their first claim against the company's assets. This action, which was preliminary to the coming hearing on the reorganization plan, was taken to test the mortgage from a legal standpoint and it has now been upheld in all points.

Market Raises Stock Yields

Declines Cut Number of Stocks Selling to Yield Under 4%

From the investor's viewpoint, one of the most important effects of the pronounced decline of stock prices this year is the revision of ideas of yields from such fluctuating equity securities.

At the beginning of this year, the level of stock prices was such as to give low yields, implying that dividends would have to improve materially to satisfy the investor's requirements of adequate returns to compensate for the inevitable risks in common shares. Looking at the situation another way, the reappraisal of prices in the stock markets shows that purchases of common shares are now being appraised on immediate prospects of income rather than upon indefinite prospects of higher dividends.

Even after the decline of prices, there are numerous stocks selling to yield less than 4% although not nearly as many as nine months ago. In a group of the more popular Canadian stocks, the decline of prices has had the effect of raising average yield to 4.9% compared with an average of 4% at the beginning of the year. Only time will tell whether an average rate of about 5% can be considered a satisfactory return from the common stock investments, but there is little doubt that it is more likely to provide satisfaction to the investor who is willing to take the risks of changing prices than the rate that was available last January.

Prices and Dividends

Changes in prices of stocks in the past few months appear definitely to be related to the investment basis of dividend income. Stocks that have held up best have been those that were paying reasonable returns. A typical group of stocks and changes in yields is this:

Yields on Leading Stocks

	Recent %	Jan. 1 %
Bk. of Montreal	4.0	3.6
Bell Telephone	4.9	3.7
B. A. Oil	5.0	3.5
Canada Packers	4.2	3.4
Consumers Gas	5.2	4.9
Dominion Bridge	3.9	2.1
Dominion Textile	6.7	6.8
Goodyear Tire	*6.2	*5.7
Imperial Oil	6.6	6.0
Int. Nickel	4.3	2.5
Loblaw A	†5.4	4.3
Montreal Power	5.0	4.8
Nat. Breweries	5.4	4.9
Page-Hersey	4.4	3.2
Shawinigan	3.8	2.7
Steel of Can.	‡2.6	‡2.0
Average	4.9	4.0

* Including $2.50 bonus. † Including 25c extras. ‡ Excluding extras.

The tabulation shows that stock yields have risen this year by about 25%, due largely to the decline of prices. This compares with a rise of about 10% in the rate of return on gilt-edged government bonds. For example, The Financial Post's average yield on a representative group of government bonds has increased from about 3.03% early in January to 3.35% at present.

Comparative Yields

It has long been regarded as sound investment practice to look for substantially higher returns from common shares than from bonds. In fact, it is usually a danger signal when yields from stocks decline within, say, 1% of yields on prime bonds. In 1929, for instance, the best government bonds could be bought to yield 5% or more, yet higher quality stocks were selling at prices to yield much less than 5%. There is a contrast between the 1929 period and the present, therefore, in that leading stocks now yield considerably more than the rates on highest grade bonds.

In brief, the stock market is recognizing the risks in common share investments in making higher yields available. In some cases this has been carried to the point of returns exceeding 8%, as Canadian Celanese and International Petroleum. Such high yields, on shares of companies in good financial condition, indicate some lack of confidence.

Gatineau Co. Earnings Up

Profits of 19 Cents a Share Shown — Power Delivery Higher

From Our Own Correspondent

MONTREAL. — Gatineau Power Co.'s consolidated gross revenue moved ahead sharply in the third quarter of 1937, compared with the same period in 1936, with the result that earnings available on the new common were equivalent to 19 cents a share, as compared with a little over one cent a share on the same basis a year ago.

The improvement in earnings over the previous year represents to a large extent additional deliveries under firm power contracts. Further interest charges have been materially reduced through application of available funds for reduction of outstanding debt.

Gross Revenue Higher

For the third quarter of 1937, total consolidated gross revenue was $2,156,876 compared with $1,927,169 for 1936. Net revenue before interest, depreciation, etc., was $1,797,414 against $1,583,049, while the balance added to surplus was $410,128 compared with $169,633 for the third quarter of 1936.

Comparative figures on income and expenses for the third quarter of 1937 and 1936, respectively, follow:

Three Months Ended Sept. 30

	1937 $	1936 $
Gross revenue	2,156,876	1,927,169
Operating expenses	359,462	344,120
Net oper. income	1,797,414	1,583,049
Less: Bond interest	858,381	862,758
Debent. interest	274,723	319,684
Depreciation	155,731	140,763
Bond discount	83,951	85,162
Income tax	14,500	5,048
Net profit	410,128	169,633

Report Larger Surplus

Cumulative returns for the 12 months ended Sept. 30, last, show consolidated gross revenue at $8,472,233 as against $8,276,204 for the preceding year, and net revenue before interest, depreciation, etc., was $7,066,362 compared with $6,896,470. The balance added to the surplus for the period was $1,445,379 as against $1,051,700 for the 12 months ended Sept. 30, 1936.

Following are the comparative returns for the 12 months ended Sept. 30, 1937 and 1936:

Year Ended Sept. 30

	1937 $	1936 $
Gross revenue	8,472,233	8,276,204
Oper. expense	1,405,871	1,379,734
Net oper. income	7,066,362	6,896,470
Less: Bond interest	3,441,746	3,460,603
Debent. interest	1,214,785	1,305,875
Depreciation	671,564	595,876
Bond discount	387,178	341,831
Income tax	‡44,292	140,583
Net profit	1,445,379	1,051,700

‡After deduction of over-amount provided in past years.

Hydro Deliveries Up

At this time last year Ontario Hydro increased its deliveries of firm power from Gatineau Power by 20,000 h.p. This, in itself, was sufficient to add over $200,000 to the gross income of the company. At the same time, there was a further gain in the primary load from the company's other customers, such as Canadian International Paper, etc.

On the basis of the 12 months returns, earnings on Gatineau through common stock totalled 51 cents a share for the past year. The quar-

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The Voice of the Maritimes

Dr. Herbert L. Stewart, editor of "The Dalhousie Review," and known from coast to coast as a CBC commentator on public affairs, joins The Post's special correspondents this week.

Dr. Stewart's column will appear as a regular feature of The Financial Post under the general heading: "The Voice of the Maritimes."

In his first article he deals with the psychological background, in Nova Scotia, to the Rowell Commission. Later articles will discuss the economic and financial aspects of Maritime problems.

"The Voice of the Maritimes"—page 20.

250-300
TRACKS
TRAINS

MEN'S SHOP

Men Who Travel Far Choose Burberrys

Successful men, and men on the way to success, find in coats by Burberrys of London, England, the distinctive cut, the quality woollens, and the "rightness" of styling that is the answer to their desire for coats in keeping with their character! At the Men's Shop you will find a range of Burberrys and other fine English and Canadian coats, to please your personal taste.

Burberry Coats $55.00 to $65.00. Other English Coats $35.00 to $75.00. Canadian coats made from English woollens $25.00 and $35.00

These coats may be purchased on EATON'S Budget Plan if desired.

Free Parking While Shopping

BAY STREET SECTION

EATON'S-COLLEGE STREET

U. S. Publishers Change Tactics in Price War

(Continued from page 1)

demoralized conditions in newsprint production during the past three years, but certainly they cannot be charged with responsibility for the big stick used by the Canadian Government on mill owners dependent upon Crown lands for raw materials and which cannot pay dividends on watered stocks and bonds in competition with European and domestic mills, better financed and better supplied."

Clark Howell, publisher, Atlanta Constitution, expresses the view that it is inconceivable that paper companies will not meet Great Northern's prices. He thinks that all the time and money spent in creating and maintaining goodwill will be lost if they attempt to enforce the $50 price.

A.N.P.A. in Fight

In recent bulletins the A.N.P.A. has been urging its members to register complaints with their source of supply of newsprint. The current bulletin carries extracts from letters and telegrams sent to newsprint manufacturers by publishers in various parts of the country. In every instance, the point is made that the manufacturers should meet the Great Northern price.

Two-sided View

In an editorial comment upon the price situation, Editor and Publisher states that newsprint at $50 a ton is not inordinately expensive and with normal newspaper revenues is within tolerable limits. "The bug in the present set-up," the editorial goes on to say, "is that newspapers are called upon at a time when tax increases are mandatory and wage increases are continual to assume an unexpected burden of a 17½% increase in the cost of their principle staple." Similar claims as regards taxes and costs are put forward by the manufacturers of paper, so that this argument does not hold water. Admission that the $50 price is not excessive is regarded as strengthening the manufacturers' stand.

Ymir Yankee Girl Gold Mines Limited N.P.L.

DIVIDEND NOTICE

NOTICE IS HEREBY GIVEN that a dividend of one (1c) cent per share has been declared payable to shareholders of the Company of record as such on the books of the company at the close of business on Wednesday, the 10th day of November, 1937, and that the dividend will be payable on or after the 1st day of December, 1937.

The Register of Transfers will be closed at the close of business on the 10th November, 1937, until the opening of business on the 20th day of November, 1937.

By Order of the Board,
W. A. SUTTON,
Secretary.
Vancouver, B.C., October 28th, 1937.

B. C. Packers Purchases Quathiaska Cannery

British Columbia Packers Ltd. has purchased the Quathiaska Cannery at Quathiaska Cove in the Campbell River area of British Columbia, according to an announcement made by H. R. MacMillan, president.

The cannery, which is of medium size, has handled catches of fishermen in the Campbell River area for more than 25 years.

"We have not bought the plant with a view to expansion," Mr. MacMillan states, "but merely to round out our interests in an important area. It is a going concern and will strengthen British Columbia Packers in an area where the company has been relatively weak."

All cannery boats and equipment are included in the sale.

AN INVITATION

to Young Executives

This year hundreds of young Canadians will assume the larger responsibilities that go with executive promotion. Not a few will head their own firms for the first time, form partnerships, plan the expansion of existing businesses.

The Royal Bank of Canada welcomes the opportunity of helping these younger business men in bringing their plans to fruition and of discussing their problems with them at any time.

Your local branch manager invites your enquiries.

Loans to finance foreign trade.
Credit information on domestic and foreign firms.
Bills of exchange negotiated.
Direct wire services to important markets.
Money transfers. Foreign market opportunities.

THE ROYAL BANK OF CANADA

OVER 700 BRANCHES IN 30 DIFFERENT COUNTRIES

The Nation's Business

(Continued from page 1)

too rapidly, with the result that production was last week again forced down, this time to 45% of normal flow. This means that whereas at the present time, this field could produce somewhere between 17,000 and 18,000 barrels of crude per day, its actual production will be something under 8,000 barrels.

Investors in western oil stocks, as well as oil operators, are anxiously attempting to estimate how long it will be before the market for Alberta oil warrants relieving these restrictions. So many unknown factors creep into these estimates, however that they are virtually useless. Much, of course, depends on what new wells are brought in, and how large their flow.

Seven are expected to be completed before the end of this month, and no one can estimate what contribution these will make to the now sizeable oil flow. Also it is difficult to estimate what success the two big distributors will have in their efforts to enlarge the market for this product. Oil men appear more and more to be looking to favorable freight rates, co-operation from the railways, and aid from the Government, possibly by way of subventions, rather than to the pipe lines suggestion, for a solution to their problems.

Meanwhile, there is a cheery lack of dissension between the producers and the distributing companies, despite the hardships of proration. Proration to 45% did not provoke the storm of criticism which might have been expected from the men to whom such a step meant a very tangible loss in current earnings. Reason for this is obviously that the oil men realize the problems of ultimate marketing, and while criticism of the big companies for not acting earlier is still heard, the latest cut in production appears to be inevitable, under present circumstances.

If proration were not put into effect, sharp reductions in prices would be inevitable. It is better to cut production, thereby merely postponing income, than to sell a wasting asset at subnormal prices.

* * *

Publications Aid National Unity

FROM Prime Minister King at Ottawa and from Sir Herbert Marler at New York came speeches last week emphasizing the need for Canadian unity. Mr. King, at a Liberal banquet, pointed to the subversive influences at work throughout the Dominion and deplored the attitude of certain parts of Canada "where some think their only citizenship is to the province." Sir Herbert, addressing the Canadian Club of New York, criticized those who fail to realize that "on the success of the whole of Canada will depend the success of every part of the country."

Both gentlemen overlooked or failed to mention a major factor in Canadian unity—namely, our national periodical literature.

It is a strange anomaly of present governmental policy that Canadian publications, which are perhaps the most potent single unifying force in Canada today, still operate at a disadvantage compared with foreign competitors. In fact this is the only industry in Canada which has no protection but pays, owing to duties and taxes, higher prices than foreign competitors on practically all raw materials.

The Government over which Mr. King presides could make no better contribution to the cause of Canadian unity than to remove the handicaps which still surround this one industry. Education through Canada's national periodicals is carried on at no cost to the Government and in fact is a source of potential revenue if the industry is operating on a profitable basis. Ottawa has already recognized the force of this argument in a piecemeal and half-hearted fashion. It should take steps to remove entirely the unfair handicaps which still surround Canadian periodicals in competition with foreign publications.

* * *

Attention Focuses on Motor Show

CANADIANS next week focus their attention on the automotive industry. They do this for two significant reasons: first because the 1938 models are being officially introduced for the first time at the National Motor Show in Toronto, and secondly, because this year as perhaps never before the automotive sales curve is being looked to as a barometer of business.

There has been a serious slump in the security markets on this continent and this has been followed by a lull in many lines of business. But there is no real evidence yet that business is due for any period of prolonged recession. The motor manufacturers at any rate are confident that buying will soon be resumed on the same substantially improving scale that greeted their products in the motor year that has just closed. In that year, despite serious labor troubles, more cars were sold in Canada than since the record sales of 1929, and plants have now been groomed to better the production records of 1936.

In the motor cars offered this fall there have been few radical changes but there has been very substantial refinement of the accumulated improvements of the last few years. The reception they receive is of wide interest to the majority of Canadians.

U. S. Sounding Out Stand of Dominion On Jap War Crisis

(Continued from page 1)

of conflict between other nations. There was no denial, however, of the assumption that the unfortified frontier between this country and the United States imposed an obligation upon Canada. Canada's defense budget implies acceptance of the task of protecting her neighbor from the potential use of British Columbia territory as a jumping off place for naval or aerial attack upon the United States, either direct or by way of Alaska.

It is freely predicted that next spring will see further appropriations to strengthen coastal and aerial defense bulwarks, and to build up both personnel and equipment of army co-operation facilities.

It is to be assumed that Mr. King explained to Mr. Hull the very great difficulties that exist as a barrier to the formulation of a fixed and unchanging foreign policy by Canada. Mr. King's views are well known: that it is more important for Canada to maintain unity at home in times of peace than to declare publicly what her policies would be in the event of war.

Canada's Foreign Policy

Recently at the annual dinner of the Canadian Institute of International Affairs in Montreal Mr. King made a reference to those people who are only too ready to put an unfavorable construction upon the acts of statesmen, when the latter are dealing with problems almost insoluble in their complexity. This comment by the Prime Minister was interpreted by many present as a thrust at John W. Dafoe, editor of the Winnipeg Free Press, who acted as chairman at the dinner. In an address delivered at the Canadian-American Affairs conference in Kingston last summer, Dr. Dafoe had spoken critically of Canada's indecisiveness in determining her foreign policy.

President Roosevelt's recent Chicago address is generally assumed in Washington and Ottawa to have been suggested and outlined by Secretary Hull. On the other hand, it went further than Mr. Hull would have gone himself; it bristled with Rooseveltisms. The President spoke of the "present reign of terror and international lawlessness," that began in "unjustified interference in the affairs of other nations or the invasion of alien territory in violation of treaties." Civilians were being "ruthlessly murdered" and "innocent peoples and nations are being cruelly sacrificed to a greed for power and supremacy which is devoid of all sense of justice and human consideration."

Roosevelt "Quarantine"

The President said that the overwhelming majority of the peoples and nations of the world wanted to live in peace. But the peace, freedom and security of 90% of the population were being jeopardized by the remaining 10% who were threatening a breakdown of international law and order.

With the epidemic of world lawlessness spreading, "quarantine" measures were suggested by Mr. Roosevelt. If lawlessness, threatening the very foundations of civilization, should spread, America could not hope to escape.

Mr. Roosevelt's address was freely interpreted as a direct challenge to Japan to cease her lawless invasion of China in defiance of treaty obligations and human rights.

That the President's Chicago speech announced an abandonment of the traditional United States position of complete isolation was demonstrated by the loud outcries of protest from Senator Borah and other leaders of isolationist opinion. Emphasis was put upon three phrases used by the President: "concerted effort" (of peace-loving nations against aggressors); "quarantine" and "positive endeavors" (to protect the peace).

Particularly between the Alleghenies and the Rockies there was a feeling that the President was committing the United States to possible war for world civilization.

London Stand

Prime Minister Neville Chamberlain followed the President's address by an address in London which committed the British Government to nothing definite but welcomed the United States abandonment of isolation and offered British co-operation in "any plan for the restoration or maintenance of peace."

When Mr. Hull came to Canada and delivered an address in Toronto he said much the same things that Mr. Roosevelt had said in Chicago, but in more diplomatic language. Two of the most pertinent paragraphs were these:

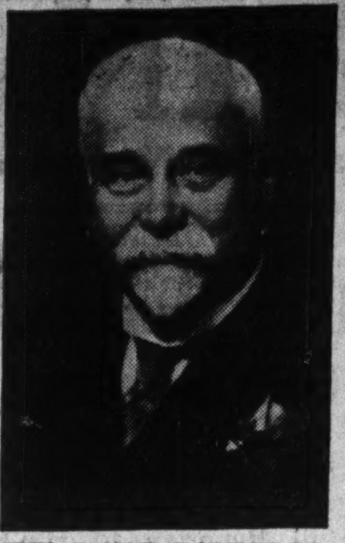
"Theoretically, it is possible for an individual to lead a hermit existence, and for a family or a community to segregate itself and attempt to live solely within and unto itself. But in the end, an inexorable price must be paid for such isolation; and directly or indirectly, that price is always paid by the individual.

"Just as sooner or later the outraged conscience of a community or a nation sets into motion forces which re-establish order under law, so, I firmly believe, the outraged conscience of mankind will set into motion forces which will create in the sphere of international relations unshakable order based on law."

Protecting Democracy

What has happened is that the United States, through its President and its "foreign minister," has indicated that it may not always be prepared to take a position of complete neutrality while treaties are ruthlessly violated by lawbreaking nations. Their stand is, in part, dictated by selfish considerations; the necessity of protecting this continent from the contagion of international lawlessness. But it is also in part dictated by broader considerations; the necessity of protecting the democracy from the spread of dictatorship in the world.

In moving thus far from neutrality and isolation, the United States has moved so much closer to potential war. Since the President's speech was a challenge to Japan, the danger of United States-Japanese hostilities has been increased. Hence Mr. Hull's concern with Canada's attitude; for military, naval and air strategists regard the Alaska-British Columbia line as the logical focus of attack from the Orient.



NEW BANK DIRECTOR

Christopher Spencer, president of David Spencer Ltd., Vancouver department store firm, who has been elected a director of the Bank of Nova Scotia.

Shift in Hydro Policy Seen With Appointment Of Hogg as Chairman

(Continued from page 1)

expressing his gratification with his appointment, the statement said:

"It will be my aim to promote the present and future interests of this great and vital public utility, and to safeguard the principle of public ownership upon which it rests. While it is early to speak of policy, I can safely say that I expect to continue the policy of the former administration with respect to the fullest publication of matters of public interest.

"I shall work in the interests of economy and the preservation of a sound financial position, while at the same time taking such steps as may be necessary to provide for the future power requirements at the lowest possible cost."

While this may refer to economy in developing intra-Ontario power sources, it may equally well refer to the line to be followed in bringing in more power from Quebec.

Gatineau's Position

Gatineau stands to benefit first from any increase in Quebec power purchases from two considerations. Not only does Gatineau's contract require that all its reserve power be taken on a "firm power" basis—for regular delivery at full rate—before firm power contracts are made with other Quebec concerns, but the present arrangements would make it more economical for Hydro to take firm power from Gatineau than from Maclaren-Quebec or Beauharnois. (Existing arrangements call for delivery of 96,000 h.p. from Ottawa Valley, as well as an equal amount from the Hydro's own section of the Chats Falls development.)

Gatineau develops 120,000 h.p. which is held in reserve for Hydro, in addition to the 140,000 h.p. being delivered as firm power. It is paid $1.75 per h.p. for general reserve power, and $10 per h.p. for reserve held for immediate delivery on call. Thus the net extra cost to the Hydro of buying extra firm power at $12.50 from Gatineau's general reserve of 87,000 h.p. would be less than taking additional current from Maclaren or making a new contract with Beauharnois.

At the same time, the Commission is confronted with the possibility that the increasing acuteness of the power shortage and the comparative shortness of the term of the Gatineau and Maclaren contracts, may strengthen the bargaining position of Beauharnois and possibly of Maclaren-Quebec. It is even conjectured in some quarters that Beauharnois, should it be willing to abandon its fight in the courts for performance of its original contract, might demand more favorable terms before agreeing to deliver only part of the 250,000 h.p. specified in its original contract. Hydro is at present taking no Beauharnois power, and is taking only 40,000 h.p. of the 125,000 h.p. Maclaren-Quebec was to deliver under its old contract. Hydro cannot take firm power from Maclaren or Beauharnois until all Gatineau's reserve is accepted on a firm basis, but might make contracts for reserve power supplies with one or both of these firms.

Additional Protection

For the time being it is expected that taking of an additional 40,000 h.p. from Gatineau will cope with the estimated increase in next month's peak load demand over December a year ago. However, last month's power demand on the system as a whole was higher than the annual peak in November and December last year, so that additional protection may be required.

As to the new sources of power being developed within Ontario, the 10,000 h.p. project on the Musquash River will not be completed until next July and will serve only the Georgian Bay system; while the projected 35,000 h.p. unit on the Madawaska cannot be completed before the fall of 1939. The ultimate 100,000 h.p. development on the Madawaska will take even longer to complete.

Background of New Chief

To meet this array of problems the new Hydro chairman brings a wealth of background, experience and special training. He was born at Chippawa, scene of one of Hydro's greatest developments. After graduating from the University of Toronto, he was employed at various times in construction and designing work and for a brief period was managing editor of Canadian Engineer.

He joined the Hydro as assistant hydraulic engineer in 1913, becoming chief hydraulic engineer in 1925. In the succeeding years he has not only played an increasingly important rôle in connection with Hydro's major projects of power development and exploration of sources, but has acted in a consulting capacity for the Ontario, Manitoba and Federal governments. He will now function both as Commission chairman and chief engineer.

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Trust Activities Point Way for the Investor In Uncertain Market

(Continued from page 1)

periods of comparatively high stock prices, such as would occur after a prolonged rise, should be used to rid the portfolio of any questionable securities. If capital appreciation is wanted, then you can get it in such stocks as International Nickel, Consolidated Smelters and many others.

The lapse of time is needed to prove the ability of a company's management and make certain that it has established itself and has a product for which there is an actual demand. Only after this stage has been reached should the average investor buy stock. This, of course, precludes the purchase of stock in a new company.

This man realizes that such a policy, if followed by all investors, would prevent the establishment of new industries and that we could not have had our automobiles or our radios if certain venturesome souls had not been willing to speculate instead of invest.

This distinction is important and so is the measure by which an investor might be able to decide whether or not he should buy stocks or bonds. It is assumed that investment and not speculation is the aim. For this the British have worked out an interesting and simple formula. It is based on comparative yields. Under ordinary conditions, the yield to be obtained on best grades of stocks should be at least one per cent higher than that which can be obtained from high-grade bonds. So long as this is the case the investors should stick mostly to stocks, but if this differential in favor of stocks becomes less than one per cent, or disappears altogether, a danger signal has been given and a switch should be made to high-grade bonds. In other words, let the market make the decision for you.

This investment expert feels, quite decidedly, that present conditions are more favorable to investments in stocks than in bonds and that we have by no means reached the stage for a major depression again.

Management Deciding Factor

Management is the final deciding factor in a company's success, according to another man. He and the group that he represents only invest in companies in whose management they have confidence. Visits to the companies, personal acquaintanceship with the officials and careful investigation from all available sources are devices used in appraising management calibre.

Somewhat conflicting ideas are in evidence between the men associated at times in the management of investment funds. Immediately after the break in the stock market following Labor Day, one member of board of directors strongly recommended that enough stocks be sold to have at least $500,000 in cash. At that time the Dow-Jones average of stock prices was almost 50 points above the low point reached in October. This opinion was overruled and no action was taken except by one individual in the group who sold every share he himself held at the time.

The astute individual who liquidated his holdings was out of the market until the end of October. At present he is fully invested again, having bought such stocks as Moore Corp., Great Lakes Paper, Marcus Loew's Theatres and a few others in which confidence in the management and good prospects are an important influence. This man is not above speculating on his own account to take advantage of market breaks and bought Abitibi bonds around 60 and Alberta-Pacific Grain preferred at $11 to $12 a share.

Some attention is being paid to carefully selected gold stocks, usually dividend-paying companies where the yield and an established position give attractions. The belief is quite firmly held that periods of falling commodity prices mark a comparatively advantageous time to buy gold stocks, as this has the effect of improving the purchasing power of the gold which the mines are producing.

Some measure or indicator is considered essential for the investor to be reasonably sure whether the stock market as a whole is in an upward or a downward trend. This is necessary to decide the moderately long-term policy and probably offers as much difficulty as any other matter connected with investments.

Weekly Record of Financing in Canada

SALES BY MUNICIPALITIES, PROVINCIAL AND DOMINION GOVERNMENTS

	Date Sold	Sold to	Rate	Due	Amount	Price	Yield
Municipal—							
Sch. Mun of La Tuque, P.Q.	Oct.	J. E. Laflamme, Lucien Cote	4%	1938-52	$80,000	96.03	4.57%
Dominion—							
Canada Treasury Bills	Oct.		....	Feb. 1 '38	$25,000,000	99.803	0.781%
Canada Refunding Loan	Nov.		1%	1939	100,000,000	99.125	1.50%
			2½%	1944		98.50	2.74%
			3¼%	1951		99.00	3.34%

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There were only seven of us working on the staff of the Bank 120 years ago. Today we are more than 6000, in more than 500 Branches, all working to render modern, experienced banking service.

Our Bank's career has been inseparably woven into the career of the nation and every part of it.

Older than the Dominion itself, yet young as the latest sound business enterprise of Canada, we are working as usual on our 120th Birthday.

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We're CRACK SHOTS!

When it comes to hunters' equipment — we're CRACK SHOTS! Trust SIMPSON'S to have everything to make your "expedition" a success. For example — the Sporting Goods Department on the Fourth Floor is "overflowing" with guns and ammunition now. Call in today and look them over!

RIFLES

Model "94" new carbine WINCHESTER, 30-30 calibre, a good all 'round gun specially suited for bush work, at 39.50.

25-20 SAVAGE Super Sporter, at $42.

300 SAVAGE No. 23 B Savage Sporter, at $45.

99G 300 SAVAGE model, at 58.50.

99G 250-300 SAVAGE Model, at $65.

99G 303 SAVAGE model, at $60.

32 Cal. REMINGTON Game Master, at 58.50.

30 - 06 REMINGTON Springfield, at $75.

A WIDE SELECTION

of warm socks, shirts, gloves and shoes will be found in The Store for Men on the Street Floor.

SHOTGUNS

WINCHESTER Model 12, the popular 6-shot hammerless repeater, in 16 and 20 gauge standard grade, take-down style, at $55.

REMINGTON Model 31, a finely balanced 5-shot hammerless repeater in 12 gauge takedown style, full choke, at $55.

IVER JOHNSON double-barrelled "Hercules" grade shotgun, bored with left barrel full choke and right modified. 12, 16 and 20 gauge, at 26.50.

IVER JOHNSON "Champion" model single-barrel shotgun in 12, 16 or 20 gauge, at 10.50.

GUN LICENSES

may be secured in the Sporting Goods Department (Fourth Floor).

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$6.95 AND UP

ROLLS SHAVING BOWL-$1.00 REFILLS-60c

Mackenzie King

London Calling

by Atticus

Columnist, Back in London, Writes of Visit to Rideau Hall and Ontario Government House and Discusses Canadian Personalities

President Roosevelt

LONDON

IT IS a soothing and belittling experience to come back to London. As a metropolis it has the grand manner. Merely to drive from Waterloo Station, past St. James's Park and up Constitution Hill is to breathe the very air of history and to feel the presence of tradition. On the other hand, the indifference of London to one's arrival is shattering to the stoutest ego. It is not until familiar surroundings have exerted their spell that the returning native suddenly remembers that he is part of London and resumes his normal good opinion of himself.

It is good to visit the United States. The pace of life there is immensely stimulating. The unashamed humanitarianism of the American experiment still fascinates as keenly as when Zangwill wrote "The Melting Pot." Unfortunately America just now is in a state of nerves. If one can judge from the comments of a hundred people of every variety of origin and cultural attainment, there is virtually a civil war between the administration and the opposition forces.

• • •

Homeric Struggle

I doubt if we in Britain have quite grasped the Homeric struggle that is going on between the President and the Supreme Court. When that battle is finished there will be revealed such a story of political manoeuvring, of desperate struggles for men's souls, of conflicting loyalties and adamant resolution as will fascinate the political student for generations. In the centre of it all is President Roosevelt, who seems determined to invoke a power greater than any President has used since the days of George Washington.

So far, he has been outwitted in the game of tactics. He relied upon the dissensions in his own ranks being closed by the onslaught of the Republican party. Instead, the Republican leaders organized a conspiracy of silence so that the outburst should come as a revolt of his own supporters. Again, the President was so convinced that the Supreme Court would hold up his measures that he organized his campaign on the grounds that they were old men blocking the machinery of legislation because they could not get through their work. The answer of the Supreme Court was to acquiesce in such of the administration's measures as they thought were constitutional with a rapidity which left the President helpless.

But Mr. Roosevelt has a tremendous personality, a warm, enveloping charm that makes him the ideal orator for the radio and the public platform. He believes he can lead the people—his enemies call them the "down-and-outs" — to victory against the entrenched forces that oppose him. Meantime, Wall Street greets each day with a shiver and America trembles like a child in the dark that is afraid of the unknown.

• • •

Mr. Cordell Hull

Looking at the sleepy, sun-baked streets of Washington, with its white-suited men, the lazy rhythmic walk of the negroes and the dusty, tropical plants bordering the lawns, it was difficult to believe that we had not gone with the wind to the Far South, instead of being a little over three hours from New York.

Mr. Cordell Hull received me with the greatest courtesy, and I was naturally interested to meet the man who is guiding America's foreign policy at this difficult time. He, too, added the impression that we were really not in a government office at all, but back in his native Tennessee. The romanticism of the Southerner is neither a pose nor a myth. He believes his horses to be the fastest and his women to be the most beautiful in the world. The result is that Southern-trained horses have an excellent record on the tracks and no woman from there is ever quite plain. Mr. Cordell Hull bears out the Tennessee tradition that every Southern gentleman is either a judge or a colonel by having himself been a judge. His features are narrow, rather like those of Woodrow Wilson, and his voice has a soft drawl that is pleasant to the ear.

When he joined the administration his appointment was regarded as a first-rate blunder. Today he is the one outstanding success of Mr. Roosevelt's ministry. At heart he distrusts the policy of isolation. He believes that Europe can be cured of its ills by an economic appeasement. He also believes that Japan should never have been allowed to take Manchuria. He believes other things, too, but one must respect the laws of hospitality. . . .

• • •

In Canada

The British subject who can leave foreign soil, however friendly, and cross the frontier to British territory without a stirring of his emotions is ready for the grave. There is a magnificent sanity about Ontario that I found unaffected even by a violent provincial election.

My host, Colonel Bruce, Lieutenant-Governor of Ontario, used to earn as much as £25,000 a year before the war as a surgeon. Today he is the spearpoint of the movement to clean up such slums as remain in the province. Occasionally he takes out an appendix for old time's sake or does an internal short circuit to keep a friendship alive. But his passion is for the advancement of his native country. He is fortunate in the possession of a beautiful and devoted wife. Mrs. Bruce comes from Cornwall, where Isolde journeyed for her marriage with King Mark. Except that she is dark and slender, she would make an ideal Isolde herself.

• • •

Ex-German Chancellor

One of the guests who dined at Government House during my visit was Dr. Bruning, who moves about the world like the ghost of Germany's departed Liberalism. The former German chancellor was anxious that his visit to Toronto should not be known, a desire that was frustrated by a local newspaper (I am sure in good faith) publishing the news that he had arrived in the city but wished the fact to be kept a secret. It was on the same evening that Noel Coward was going to join us but received a telegram announcing his father's death. We all regretted the sad cause which prevented the author of "The Sun Never Sets on Government House" dining as Dr. Bruce's guest.

Dr. Bruning retains the humanity and lack of bitterness that have always characterized him. He does not denounce Herr Hitler but surveys with an understandable pensiveness the events that led up to the Nazi regime. Like almost every German exile he remains a devoted servant of Germany. He was on his way to deliver a series of lectures at an American university; but I shall not emulate the Toronto newspaper by stating which one.

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The Cambria

While I was in Toronto the Cambria, which had flown the Atlantic with such splendid effrontery, nearly met disaster when coming down on Lake Ontario, where it was making a friendly visit. The repairs requiring some days to complete, the crew became the unofficial guests of the city, where every club and home were thrown open to them with that warmth which visitors to the New World will understand. I sat next to the young captain and his navigator at a luncheon given by the Military Institute, and ran across them later in the evening at a banquet in their honor. One or two quiet flights across the Atlantic, however, and they will soon have recovered from the social strain.

• • •

The Governor-General

Rideau Hall, the residence of the Governor-General of Canada, is set on the banks of the Ottawa River in a large and imposing park. It is too much to expect that Lord Tweedsmuir will ever write a novel with the Viceregal Lodge as a background, but the temptation must be great.

In the course of a year a Governor-General meets a host of people and, using the safeguard of selectivity, invites a certain number to be his guests when "passing through to the East or West" or "on their way to England." In addition, there is a steady stream of visitors from here including friends and former political associates who have been invited to stay at Rideau Hall when they visit Ottawa. As a result, each day brings a human and domestic problem to the Comptroller, which will be apparent to any hostess who does things on a grand scale. Every telegram means a new set of guests and, consequently, a new alignment at the dinner-table. But somehow it all works perfectly smoothly, and every guest believes that he has actually given pleasure by his visit. What a setting for a novel by a modern Thackeray!

• • •

Mr. Mackenzie King

The last night of our visit, the Prime Minister came to dinner. Mr. Mackenzie King is quite unlike the conventional high Minister of State. Although he has been in and out of office for more than a generation, he refuses to adopt the airs of the weary Titan. He has a genius for letting his ministers do their own work. While there is no apparent successor in the Conservative party to R. B. Bennett, there are half a dozen Liberals ready to succeed Mr. King. He is the best "spotter" of talent in the history of Canadian politics.

Mr. Mackenzie King comes of rebel stock. This finds no stronger expression now than a refusal to allow the bestowal of titles on Canadians and a dislike of medals and decorations. Even at the dinner referred to the lapel of his coat was innocent of adornment. Men, women and memories interest him hugely, and when we had a talk after the ladies had curtsied themselves out of the room he showed by his penetrating observations on the British Cabinet that he never loses touch with the human factor in appraising political problems. A pity he never married! We could do with more rebels like Mr. Mackenzie King.

• • •

An Amazing Tour

When the guests had gone, Lord Tweedsmuir became John Buchan, and took Atticus on a 12,000-mile journey by air and water to the Arctic zone. This amazing tour of his has excited the whole of Canada. The Dominion is profoundly interested in the new type of Governor-General, who abandons his official railway coach, leaps into an airplane, and reveals the sweep and possibilities of the Far North to a nation which sometimes forgets its natural frontier of the Arctic.

With his eager preciseness of speech and his irrepressible humor, Lord Tweedsmuir has captured the imagination of Canadians and, in turn, has had his imagination captured by Canada. A year ago his questions to me were all about things at home. Now he wants to talk about "this wonderful country and its unexplored possibilities."

So the sentimental journey ended and we embarked at Quebec for home, mentally enriched by a thousand new impressions, spiritually strengthened by the realization that form the warm friendliness of the United States and the firm loyalty of Canada the British people can draw strength and comfort for the future, whatever it may hold.

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Nickel-copper Found West of Port Arthur

From Our Own Correspondent

WINNIPEG. — A deposit near Atikokan between Fort Frances and Port Arthur which they believe carries substantial values in copper and nickel with possibly platinum, is reported by Dan McRae and Joe McDonald, Winnipeg prospectors.

The two prospectors are vague as to exact location because their hurried trip to Winnipeg was to replenish their outfit, get ready for winter and obtain more licenses to stake further ground, only nine claims having been staked so far. They plan an almost immediate return and left their camp standing awaiting their return.

U. S. Meeting Hears Godfrey Debate Powers

Can be Abused, But Potential Force for Good, Thinks Commissioner

MODERN NEED

At its annual convention held in French Lick, Indiana, recently, the National Association of Securities Commissioners heard John M. Godfrey, Ontario Securities Commissioner, frankly discuss the place of such administrative bodies in modern life, their benefits and their drawbacks.

"As the result of the very extensive powers of investigation given to the commissioner there has been considerable public discussion in Ontario as to the wisdom of placing so much power in the hands of one individual," Mr. Godfrey told the meeting, which comprised securities administrators from United States and Canada. "I may frankly state that some of these discussions have had great value by indicating the extent to which these powers should be employed. There are, however, disciples of laissez-faire and so-called personal liberty who are entirely opposed to securities laws. They would like to be untrammelled in their dealings with the public and would dearly love to return completely to the old doctrine of 'Caveat Emptor.' They have no friendly regard for the new doctrine of 'Caveat Vendor.'"

Later in his address Mr. Godfrey stated: "It is impossible, after administering the Act as amended for only a few months to predict what will be the real value of these extended powers. It is obvious that they are capable of being used for improper purposes. I believe properly administered they can be of great public benefit."

The chief characteristic of administrative law, Mr. Godfrey stated, is that the legislating bodies represented by the provincial legislatures in Canada, and the state legislatures and Congress in the United States, confer on outside bodies created by them, powers of legislation and the making of judicial or quasi-judicial decisions.

Referring to the growth of this function of government, Mr. Godfrey pointed out that before the middle of the 19th century, the main functions of government in England were those of defense and police. The state departments were few in number, and the management of the life of the people was not regarded as a function of the Government. Parliament was able to cope with these duties without having to delegate legislative powers outside of itself.

Mr. Godfrey quoted from the almost prophetic remarks of Elihu Root, made in 1916 before the American Bar Association. Mr. Root, speaking many years before the introduction of such regulatory bodies, said:

"Before these agencies, the old doctrines prohibiting the delegation of legislative powers has virtually retired from the field, and given up the fight. There will be no withdrawal from these experiments. We shall go on; we shall expand them, whether we approve theoretically or not, because such agencies furnish protection to right, and obstacles to wrongdoing, which under our new social and industrial conditions cannot be practically accomplished by the old and simple procedure of legislatures and courts as in the last generation."

The aims of all securities commissions found perfect expression in these remarks, Mr. Godfrey felt.

Consold. Paper Renovating Mill

From Our Own Correspondent

MONTREAL.—Reports are that Consolidated Paper Co. will spend $400,000 on a new boiler house at the Cap de la Madeleine plant. This would indicate that the company is going ahead with plans to reopen the mill, which has been closed down for several years.

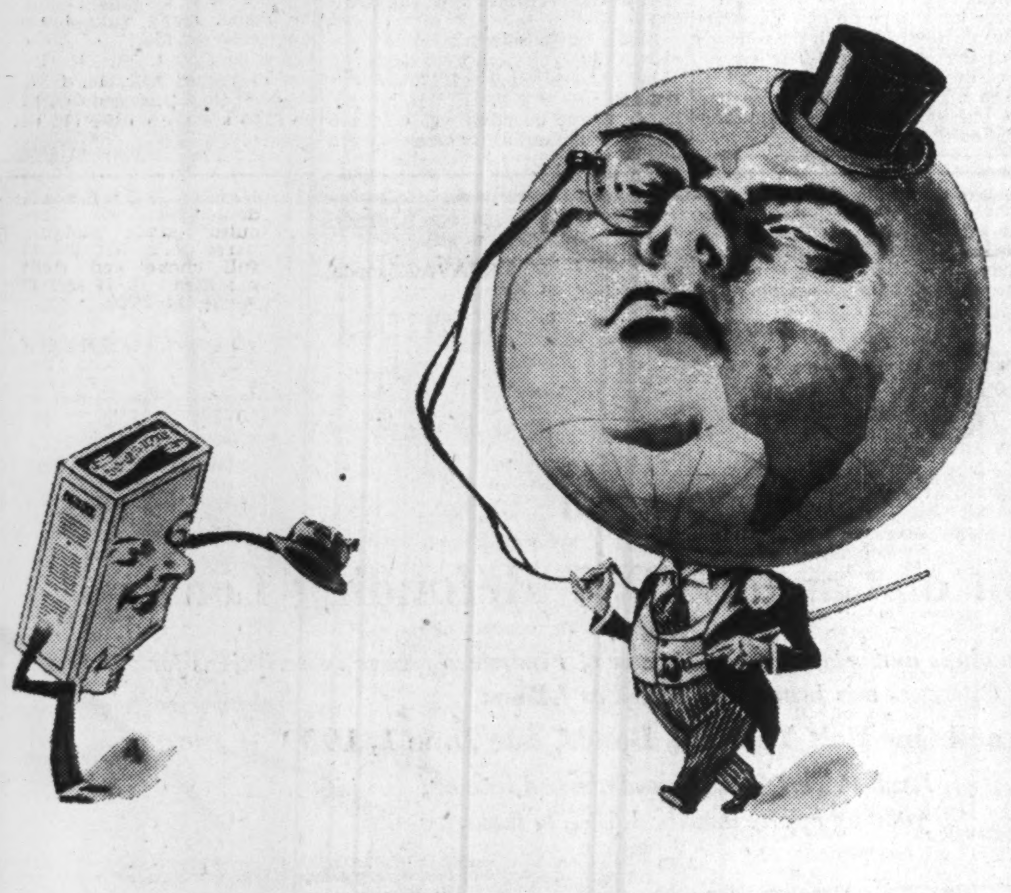
The possibility of reopening the plant has been discussed on several occasions, but it was thought that plans might be deferred until next year, but apparently it is the intention to go ahead with them now.

Increase in Earnings Estimated for Paramount

Paramount Pictures Inc. estimates consolidated earnings for the 13 weeks ended Oct. 2, at $1,958,000 after interest, depreciation, reserves and taxes, but before U. S. undistributed profits tax. This compares with $2,013,764 earned in 14 corresponding weeks of 1936, after applying $200,000 from a special inventory reserve. These earnings do not include the company's interest in undistributed profits of partly-owned subsidiaries, amounting to $440,000 in the 1937 period and $247,000 in 1936.

Estimated earnings on the common are equivalent to 67 cents a share for the 1937 period, after allowing for preferred; or 85 cents a share if the non-consolidated profits of $440,000 are included.

Similar estimates for 39 weeks ended Oct. 2, 1937, are $5,276,000 against $2,255,224 for the corresponding 40 weeks of 1936. Non-consolidated subsidiary profits are $1,420,000 and $1,032,000 respectively, after applying $1.8 million of inventory reserve in the 1936 period. Earnings per common share for nine months of 1937 are estimated at $1.78, or $2.36 on the all-inclusive basis.



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LOOK AT THE NEW CADILLAC-FLEETWOOD! With power increased and performance improved—it is, by far, the most magnificent V-8 in Cadillac history. Yet, it is moderately priced, and unusually economical.

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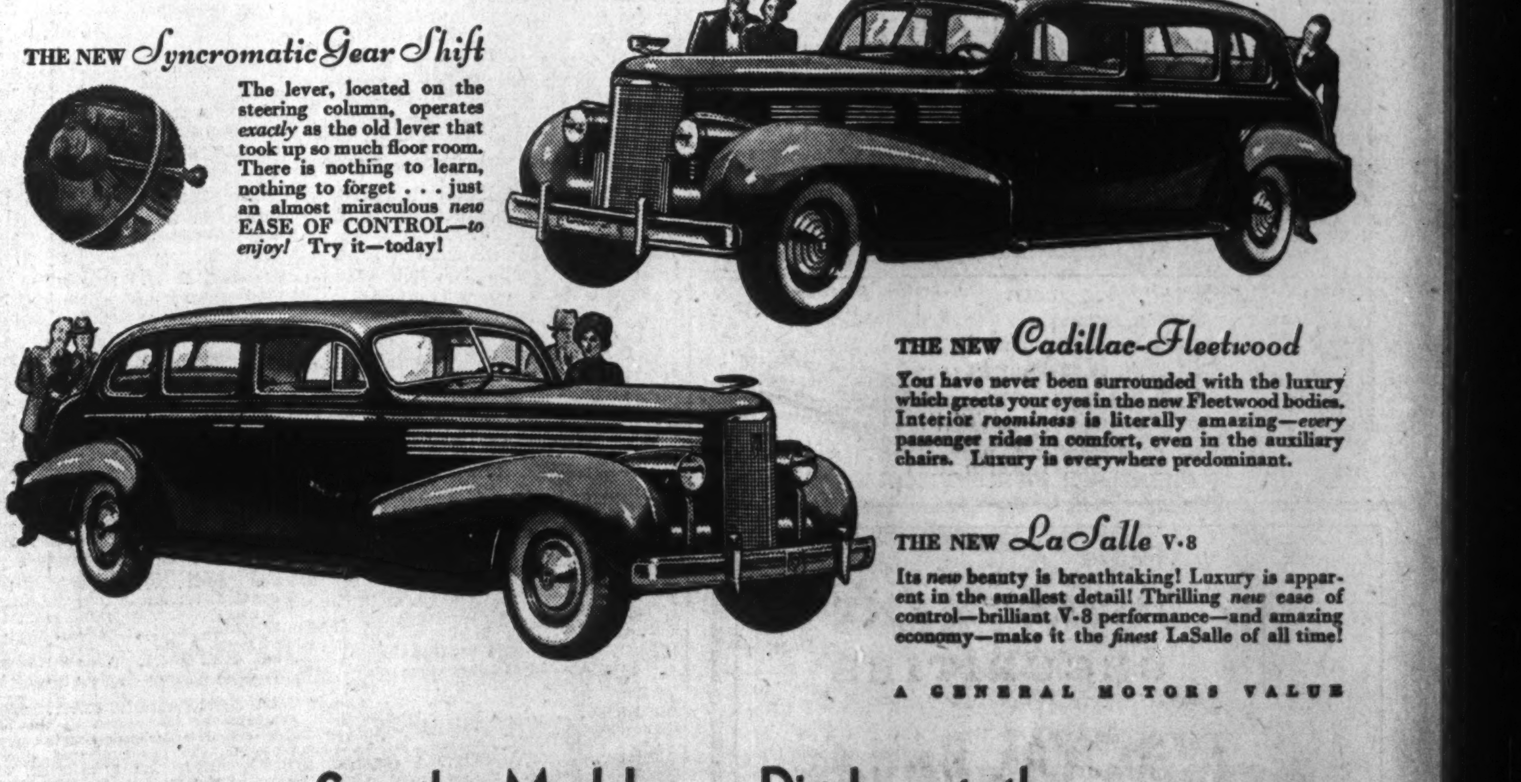

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A GENERAL MOTORS VALUE

See the Models on Display at the National Motor Shows

CAD-10

Investment Trends

Lower Corporate Profits Predicted By Banker

Market Has Given Effect to Varying Conditions Between Industries — U. S. Margin Requirements Changed

Students of the stock market averages and followers of the Dow-Jones theory are wondering if the action of stocks in recent sessions is a signal that the period of severe declines and liquidation is at an end, at least temporarily. Not enough progress has yet been made, however, to indicate which way the market is moving but the past week has seen comparatively firm or higher prices after the sharp movements of the preceding week.

It seems to be a fairly common opinion that the most healthy sign that stock markets could give over the next few weeks would be a period of fairly steady prices without a great deal of rise. This would permit the adjustment which is badly needed and allow general business to give a more definite indication of its probable course over the next few months.

The Toronto Stock Exchange industrial average closed at 129.20 on Monday, compared with 126.45 a week earlier and the low for the year of 110.63 but still down substantially from the year's high of 187.67. Other stock averages have moved in a comparable range.

Little actual recession has yet been shown by business in Canada to justify the drastic stock market break although statistics for October are not yet available and may show a greater drop than September. In their November letter, McLeod, Young, Weir & Co. quote from a leading banking authority who looks for reduced volume of manufactured goods at least during the first six months of 1938 and consequently a considerable reduction in corporation earning power from that of the corresponding period of 1937. This same authority, however, looks upon the present recession as only a reaction from the industrial boom of the past two years, and not a major recession.

How Groups Fare

In the general revision of stock prices and yields this year, it has again been shown that the more stable types of companies are the ones whose shares have fared best. This is shown in a general way by the relative recessions of prices in percentage for various groups as follows:

Stock Declines Since January

Group:	Fall %
Textiles	14.5
Banks	14.7
Oils (distributors)	18.7
Foodstuffs	18.8
Power and traction	25.8
Beverages	27.6
Building materials	35.3
Machinery, equipment	37.0
Pulp and paper	43.8
Flour milling	44.5
All groups	25.6

Apart from the general fall of prices, it can be seen from the figures that the stock market has been appraising conditions in industries as well as in companies. This is apparent, for instance, in the large decline in shares of building supply and machinery firms in which industries there were hopes earlier this year for sharp recovery of volume. The market suggests that the gains of this year have been less favorable than were expected.

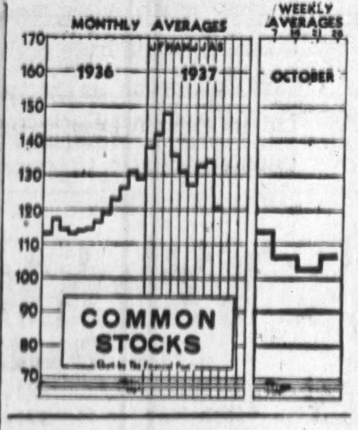
The sharp decline of flour milling shares, in the face of better reports of earnings this year, is attributable to the unfavorable factors in the outlook for export business, especially the relatively high cost of Canadian wheat to millers.

The pronounced setback for pulp and paper shares can be laid to the fact that enthusiasm for such stocks reached a fever pitch too far in advance of optimistic expectations for 1938 earnings.

The general conclusion that the investor can draw from the performance of stocks by groups is that although more stable industries do not offer as much hope of capital gains there is less possibility of loss. But the stock groups that tend to rise most rapidly in an enthusiastic market are those in industries with wide fluctuations.

* * *

Margin Rules



The U.S. Federal Reserve Board has altered margin requirements on American stock exchanges, and the modifications are of import to the Canadian investor because of the direct influence of Wall Street on stock prices here. Briefly buyers of stocks need now only put up 40% cash margin on the purchase price, compared with the former 55% requirement. Also, short sellers are now required to put up 50% in cash on the amount of their sales. Formerly only 10 points margin was required on short sales in New York.

The significance of the change is that it requires less cash than formerly to buy stocks, and it takes a great deal more cash to sell short. In a depressed market, the tendency would seem to be to give support by attracting buyers and discouraging short sales. But the same influences, particularly the large cash margins required on short sales, may have the effect of permitting prices to run away in a rising market. The changes are therefore not without long-term dangers.

* * *

Selling Short

Short-selling on the stock exchanges is something that the average investor does not understand completely, particularly the effects of short sales on prices. In Canada there is relatively little short-selling of industrial stocks, although it is commonly used in the distribution of mining shares. Even in active markets like New York and London the proportion of short sales is small in relation to the volume of stocks available for trading.

To sell stocks short, it is merely necessary to make a sale, just as one makes a purchase. A buyer hopes prices will rise so he can sell at a profit. The short-seller, however, hopes that prices will drop and that he can buy back at lower levels the shares he has sold.

While the holder of stocks is a potential seller, the individual who has sold stocks short is a potential buyer and often a very nervous one. The act of selling stocks, whether they are sold by the actual owner or by short-sellers who do not possess the shares, tends to depress prices or at least to keep them from rising as fast as they would otherwise. But short-sellers often provide quick buying support when prices are falling.

Significant Investors' Index Numbers

1926 = 100

No. of Securities	Mach. and equip 8	Pulp and paper 6	Milling 4	Oils 4	Textiles and clothing 10	Food and allied prod. 13	Beverages 7	Bldg. mater. 14	Power and traction 15	Banks 9	Total utilities 19	Total co's. 96
1929-36:*												
High	432.5	113.4	273.4	423.5	113.5	197.8	205.4	281.1	197.6	131.7	166.0	198.3
Low	39.2	3.0	37.7	87.7	30.8	78.8	33.8	44.3	47.1	63.1	36.9	43.3
1937:												
Jan.	156.3	37.2	119.6	229.6	77.3	184.2	141.0	197.0	91.1	94.4	68.5	137.4
Feb.	163.4	36.7	120.7	235.2	78.5	188.2	139.3	203.5	97.5	96.7	73.1	142.4
Mar.	168.3	40.2	127.0	247.7	80.2	190.0	141.8	213.4	94.7	95.9	71.0	147.2
Apr.	157.5	47.1	117.4	230.4	79.9	182.4	133.4	204.8	85.1	94.0	64.1	136.2
May	151.3	38.5	109.4	229.6	77.5	178.5	128.4	188.4	84.0	92.7	63.0	132.2
June	148.1	38.2	103.7	220.2	77.7	177.7	131.0	179.6	84.1	92.3	63.2	129.4
July	148.0	40.5	102.0	222.6	79.7	182.1	136.1	186.7	88.0	90.2	63.9	133.0
Aug.	151.2	40.4	95.2	223.6	79.5	182.0	136.9	192.7	90.4	89.9	65.2	135.2
Sept.	122.8	29.3	89.1	205.3	73.3	167.9	118.3	159.4	78.6	84.9	57.4	118.9
Weekly Figures, 1937:												
Oct. 7	116.2	26.5	78.4	201.8	71.7	162.3	113.8	145.1	76.8	82.6	55.8	113.6
Oct. 14	107.3	22.4	72.8	196.0	71.2	161.4	107.5	136.8	72.8	82.4	53.0	108.1
Oct. 21	98.5	20.9	66.4	186.6	66.1	149.6	102.1	127.5	67.6	80.5	49.9	102.2
Oct. 28	106.9	23.0	73.6	195.2	68.5	153.7	107.4	134.6	71.7	80.8	52.2	106.7

*High and low for years from 1929 to 1936 inclusive are based on weekly figures compiled from figures issued by Dominion Bureau of Statistics.

Toronto Stock Exchange Index

	20 Indus.	20 Golds	20 Misc. Mines
Nov. 2	129.29	115.16	118.54
Nov. 1	129.20	114.80	116.00
Oct. 30	130.09	116.95	115.12
Oct. 29	128.60	114.83	117.22
Oct. 28	127.49	114.59	114.56
Oct. 27	125.94	113.57	112.42
Month ago	140.23	117.38	133.28
Year ago	153.51	137.65	168.88
High, 1937	187.67	166.59	215.36
Low, 1937	110.63	96.27	97.01

Montreal Averages

	10 Util.	20 Indus.	30 Comb'd
Nov. 2	71.1	78.7	76.2
Nov. 1	70.9	79.6	76.7
Oct. 30	70.9	80.2	77.1
Oct 29	71.3	79.3	76.6
Oct. 28	70.4	76.8	74.7
Oct 27	69.5	75.8	73.7
Month ago	72.8	81.0	78.3
Year ago	80.6	89.7	86.8
High, 1937	92.5	122.3	109.5
Low, 1937	64.0	61.4	62.3

INVESTMENT SECURITIES

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Can. Invest. Fund Adds to Holdings

Decline of Only 14.2% in Market Value Since End of 1936

From Our Own Correspondent

MONTREAL.—Changes in the investment portfolio of Canadian Investment Fund, since July 20, date of last statement, is set out in a letter accompanying the current dividend cheques.

In the interval the company has made the following additions to its holdings: 450 International Nickel; 400 Steel of Canada; 500 British American Oil; 100 National Breweries; 800 Dominion Bridge; 2,000 International Power and Paper and 2,000 Crown Zellerbach.

The company sold none of its securities during the period.

As compared with December 31, 1936, the per share net asset value was 14.02% lower on September 30, 1937, states president Calvin Bullock. Allowing for dividends paid during the period, the decline was 10.78%.

Investment Notes

Massey-Harris Co.—The company has issued 2,561 common shares, bringing the total outstanding common stock to 731,970 shares. The stock has been issued under the employees, investment plan, authorized at the annual meeting on March 12, 1937, by which 50,000 shares are set aside to be sold to officers and employees as the directors may determine.

* * *

Abitibi—Recent deflated levels gave speculative merit to the 5% bonds, according to the Financial World, New York financial journal. "Allowing for increased costs and some downward revision of earlier estimates of next year's consumption, this price ($50 a ton) scale indicates satisfactory profits for Abitibi."

* * *

United Fuel Investments—Negotiations in connection with the pending plan of reorganization are expected to be brought to a conclusion in the comparatively near future, according to a statement made by S. A. Morse, president, at the annual meeting in Toronto last week. The reorganization has been under consideration for some months but little information as to its probable nature has yet been given out.

* * *

Beauharnois—Some improvement in earnings is expected for 1937 and the payment on the first mortgage bonds of the operating company will probably be larger than in 1936 when about 3½% was paid.

* * *

Dosco—Output of ingots for the first nine months of this year is reported to have advanced almost 16% at approximately 314,000 tons, an improvement of nearly 43,000 tons over last year. Coal production of its subsidiary, Dominion Coal Co., gained over 262,000 tons or almost 8.4% at 3,384,000 tons during the same period.

* * *

Distillers Corp.-Seagram's annual report will be mailed to shareholders this week-end. The income account, already released, showed a substantial increase in its earning power. The balance sheet and president's remarks will give details on company's financial position and probably discuss the possibility of a dividend on the common stock.

* * *

Winnipeg Electric — Earnings for the nine months ended September 30, showed practically no change as regards net income. Gross revenue of $4,952,915 was $115,920 higher than a year ago. This is offset by increased operating expenses and taxes. Indications are that net income for the year will be somewhat less than in 1936.

Canadian Car Pays Dividend

Declares Quarterly Dividend and Payment on Arrears

From Our Own Correspondent

MONTREAL.—Action of the directors of Canadian Car and Foundry Co. in resuming regular dividend payments on the company's 7% preference stock and in declaring a payment on arrears of dividends, reflects substantial improvement in the company's earnings in the current year.

Regular quarterly dividends on the preference stock will be resumed on Jan 10 next when 44 cents a share will be paid to shareholders of record Dec. 27. This dividend is for the quarter ending Dec. 31 next. The annual dividend on the preference stock, which has a par value of $25 a share is $1.75 a share.

First Payment Since 1933

In addition a dividend of 50 cents a share on account of arrears has been declared payable Nov. 22 to shareholders of record Nov. 10. This will be the first dividend paid by the company since Oct. 10, 1933. Arrears of dividend at the present time total $7 a share, but will be reduced to $6.50 a share by the Nov. 22 payment.

Resumption of dividends comes as a result of an improvement in operations during the past year. While official information in regard to earnings for the year ended Sept. 30 last is not available it is estimated that the company earned at least $2.50 a share on the preference stock. In the previous year, earnings on the preference stock amounted to three cents a share.

Can. Bakeries Reports Profit

Drought Conditions in Saskatchewan Retard Improvement

Net profits of $9,042 after all charges, compared with a net deficit of $11,059 in the previous period, feature the annual report of Canadian Bakeries for the fiscal year ended Aug. 31, 1937. The company's deficit is accordingly reduced from $198,932 to $189,990.

It is reported by R. W. Ward, president, that business showed a general improvement but was retarded by the drought conditions existing in Saskatchewan and Alberta. Properties and new equipment to the extent of $34,511 were purchased during the year.

Comparative Income and Surplus Account Years Ended August 31

	1937 $	1936 $
Operating profit	139,873	113,599
Add: Other income	7,137	12,413
Less: Other charges	4,451	4,448
Directors' fees	900	800
Executive remun.	18,750	18,123
Legal fees	397	73
Net earnings	121,512	102,568
Less: Depreciation	66,606	67,384
Bond interest	39,627	41,428
Income taxes	6,237	4,815
Net profit	9,042	*11,059
Less: Prev. deficit	198,932	187,873
Deficit forward	189,890	198,932

*Deficit.

Working Capital

	1937 $	1936 $
Current assets	297,278	295,463
Current liabilities	61,340	54,118
Working capital	235,938	241,345
Ratio	4.84—1	5.46—1

Coal Output Off

MONTREAL.—Production of Dominion Coal Co.'s Cape Breton collieries during October totalled 379,499 tons. This represents a drop of 11,012 tons below the output for the same month last year. Compared with the previous month of September, there was a reduction of 9,615 tons in production or in output.

November Dividend Payments Increased By $4.2 Millions

Dividends being paid by Canadian companies in November will total $8.9 millions, compared with $4.7 millions in the same month of 1936.

By the end of the month a total of $228.5 millions will have been distributed so far in 1937, compared with $183 millions in the first 11 months of 1936. It now seems reasonably certain that a new high record will be reached by total payments this year. No increase in December figures over those of last year is needed to raise the year's total over those of 1930, when the previous record of $284.6 millions was reached. Last year, December payments totalled $78 millions.

Four companies are paying extra dividends in November, including Buffalo Ankerite, 10 cents; Crown Cork, 20 cents; Hollinger, five cents; and Toburn Gold, one cent. Interim payments of six cents are being made by Kirkland Lake, and 25 cents by Regent Knitting on its common shares.

One company, Conduits National, is making its first payment, 25 cents, and another, Coast Breweries, has increased its payment from 27 cents to 30 cents. Canada Iron Foundries is paying $1.50 on the preferred, with the last payment of $2.50 in April.

Four companies are making payments on arrears of preferred dividends. Frost Steel, with a payment of $19.25 per share, will distribute $161,892, thereby paying its arrears in full. St. Lawrence Corp., with $1 on the A shares, United Corp., with 75 cents on the A shares, and Wood Alexander & James with $1.75 on the preferred, are the others.

International Metals, this month resumes preferred dividends, paying $1.50 per share on both the preferred and the preferred A stock. The last previous payment was in 1932, when 75 cents was paid.

Summary of November Payments

	1937 $	1936 $
Dividends	9,045,612	4,680,088
Bond interest	41,282,000	42,704,000
Total	50,327,612	47,384,088

Dividend Payments

Company:	Rate $	Date	Amount $
Amer. Cyan., A. B.	§1	26	2,520,368
Anglo-Can. Tel., p.	1.37½q	1	99,825
Assoc. Tel. & Tel., 1st pfd.	.49q	15	16,[illegible]53
Do., 6% pfd.	.42q	15	19,821
Ault & Wiborg, pf.	1.37½q	1	7,562
Barker's Bread, c.	.08m	1	1,760
Beatty Bros., 1st pf.	1.50q	1	15,000
Blue Ribbon, pf.	.50q	1	14,927
Brewers & Dist.	■1	15	577,737
Buffalo Ankerite	.12½q	15	87,709
Do., extra	.10	15	70,167
Calgary Power, pf.	1.50q	1	90,000
Can. Iron Fdrs., pf.	1.50s	15	58,167
Can. Bronze	.37½q	1	30,000
Do., pf.	1.25q	1	9,375
Canadian Car, pf.	▲50c	22	141,557
Corporate Inv.	.06½	15	12,039
Can. Invest. Fd., sp. & ord.	.05	1	57,016
Can. Investors	.10q	1	10,000
Canadian Oil, c.	.12½q	15	17,970
Coast Breweries	.30q	1	54,094
Commonwealth Int'l.	.04q	15	5,439
Conduits Nat., c.	†.25	1	40,200
Cons. Press, A	.25	1	12,500
Cosmos Imperial	.25q	15	25,000
Crown Cork	.20q	15	20,000
Do., extra	.20	15	20,000
Distillers-Seag., pf.	1.25q	1	187,500
Dominion Bridge	.30q	15	154,185
Dom. Tar & Chem., p.	1.37½q	15	69,231
Frost Steel, 1st pf.	1.75q	1	14,717
Do., on arrears	19.25	10	161,892
Guelph Carpet	1a	1	35,000
Do., pf.	1.62½q	1	8,125
Gurd, Chas., pf.	1.75q	15	4,375
Hollinger Cons.	.05	4	246,000
Do., extra	.05	4	246,000
Humberstone Shoe	.50q	1	10,000
Imperial Bank	2.50q	1	175,000
Inter. Metals, pf. & pf. A	1.50	1	67,809
Inter. Nickel, pf.	1.75q	1	483,486
Int. Utilities, pf.	1.75q	1	9,353
Do., $3.50 pf.	.87½q	1	95,232
Island M'tn. Mines	.05	15	52,535
Kelvinator, pf.	1.75q	15	8,680
Kirkland Lake M.	‡.06	1	319,596
Macassa Mines	.10	1	267,806
North. Can. Mining	.04	1	100,000
Ontario Steel, pf.	1.75q	15	6,304
Orange Crush, pf.	.35s	1	10,500
Paterson, Wm., pf.	1.75q	1	1,086
Penmans	.75q	15	48,388
Do., pf.	1.50q	1	16,125
Quebec Power	.25q	15	138,29[illegible]
Regent Knit, c.	‡.25	1	16,252
Rolland Paper, c.	.25q	15	15,000
Saguenay Pwr., pf.	1.37½q	1	68,750
San Antonio Gold	.07	5	162,162
Shaw. W. & Pr.	.30q	15	435,650
Simpsons, pf.	1.25q	1	140,625
Simpson, Robt., pf.	3s	1	100,500
So. Can. Power, c.	.20q	15	80,000
So. Amer Gold	.10	24	176,000
Steel of Canada	.43¾q	1	201,250
Do., pf.	.43¾q	1	113,685
St. Law. Corp., A pf.	▲1	15	297,633
St. Law. Flour	.25q	1	3,000
Do., pf.	1.75q	1	10,063
Sullivan Cons.	.02½	15	100,000
Toburn Gold	.02q	22	37,000
Do., extra	.01	22	18,500
United Corp., A	▲.75	17	48,202
United Steel, A pf.	.75s	1	16,480
Weston, Geo., pf.	1.25q	1	21,875
Wood, A. & J., pf.	▲1.75	1	11,375
Total			9,045,612

§ Payable at the option of the holder either in cash or in shares of the new 5% cumulative, $10 par preferred stock, or partly in cash and partly in stock.
■ Capital distribution. ‡ Interim.
† Initial. ▲ Arrears. a—Annually. m—Monthly. q—Quarterly. s—Semi-annually.

Bond Interest Due in November

	1937 $
Corporation	7,284,100
Municipal	4,504,600
Provincial	6,768,700
Dominion	22,724,600
Total	41,282,000

Gatineau Power Co. Earnings Show Gain For the Third Quarter

(Continued from page 1)

terly returns, it will be noted, amounted to 19 cents a share, or 76 cents a share on an annual basis. Expectations are that the current rate of income will be maintained and possibly increased.

Indications are that by the end of this month Ontario Hydro will call for an additional 20,000 to 40,000 h.p of firm power. The load on the Niagara System has shown consistent increase this year, and while water conditions have been exceptionally favorable for the Commission, it is believed that a larger reserve is necessary. To that end Hydro is expected to call for larger deliveries of firm power, which should add to share earnings.

A significant feature of the third quarter, and cumulative statement is the reduction in interest charges.

Cut Debt Charges

Interest on first mortgage bonds and prior liens during the third quarter of 1937 was $4,378 less than for the same period in 1936. This would indicate, considering the fact that interest charge on these securities is 5% per annum, that there has been a reduction in the interval of about $350,000 face value of securities.

Debenture and other interest declined during the last quarter, as compared with the corresponding figures of 1936, by $44,960. Capitalized on the 6% basis, this is equivalent to a reduction of $3 millions in principal.

There is no means of telling from the profit and loss statement whether the amount of the 6% securities retired is represented only by the debentures, of which $15,340,500 face value were outstanding at the end of last year. Prior to the amalgamation of Gatineau Power with Canadian Hydro, the former owed the latter over $5 millions. Some of the interest charges included in the category of "Interest-Debentures and other" undoubtedly includes the carrying charges of the advances made by Canadian Hydro. These advances, of course, are eliminated under the reorganization, but nevertheless show up in the consolidated accounts covering the period to amalgamation.

While it is difficult to determine the face value of the securities retired this year, nevertheless it is apparent from the accounts that the company has used a considerable portion of its surplus funds to effect a reduction in the funded debt.

Amalgamation Effective

The amalgamation of Canadian Hydro-Electric with Gatineau Power Co. has become effective, and on Sept. 1 last Gatineau Power acquired all the assets of Canadian Hydro except shares of Gatineau's own capital stock.

If the amalgamation had been in effect for the whole of the periods under review, the balances added to the surplus for the quarter, and 12 months ended Sept. 30, 1937, would have approximately $467,717, and $1,777,460 respectively.

Pursuant to the plant, share capitalization of Gatineau Power was changed to consist of 121,960 5% cumulative preferred shares, and 3 million common shares of no par value. All of the preferred, and 1,621,960 common shares are outstanding.

Dividends on the new preferred cumulative from January 1, and the first quarterly payment is due on April 1 next.

While no official statement has been issued, expectations are that Gatineau Power will pay the first quarterly dividend when it falls due next year. Indicated earnings are more than sufficient to take care of this charge and irrespective of whether or not the company is in a position to refund its 6% debentures, payment is expected to be made.

There have been no new developments in connection with the refunding of the debentures. The condition of the financial market both in Canada and the United States has been unfavorable for a refunding operation of this size.

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In times of unsettled security markets, Dominion of Canada Bonds stand out as the safest and most marketable security in Canada.

Maturity	Price	Yield
1% Bonds, due June 1st, 1939	99.125	1.59%
2½% Bonds, due November 15th, 1944	98.50	2.74%
3¼% Bonds, due November 15th, 1951*	99.00	3.34%

(*Callable at 100 on or after Nov. 15, 1948)

Denominations: 1% and 2½% Bonds $1,000,
3¼% Bonds $100, $500 and $1,000.

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British Mortgage Has Anniversary

The British Mortgage & Trust Corporation of Ontario, with head office at Stratford, Ont., is this year celebrating its diamond jubilee. Organized at London, Ont., in 1877, the head office was moved to Stratford in 1878, when a group of Perth and Oxford county and Stratford businessmen took over management. Paid up capital of $25,338 at that time has grown to $1 million, in addition to reserve funds totalling $825,000.

Assets under administration have shown steady growth from $29,087 in 1878 to $2.6 millions in 1917, $5.5 millions in 1927 and $8 millions in 1937. Scope of the business was enlarged in 1926 when authority was obtained to receive and administer trust funds. At the same time, the corporation's name was changed

President of the corporation is Hon. Nelson Monteith, whose uncle, the late Andrew Monteith, was the first president. W. H. Gregory is managing director.

Standard Steel Reduces Arrears by 75c a Share

Standard Steel Construction Co. has declared an extra dividend of 75 cents a share on account of accumulated arrears on its class A preference stock. This payment will be made, along with the regular quarterly dividend of 75 cents a share on Jan. 1, 1938, to shareholders of record Dec. 15, 1937. After these payments, arrears will amount to $2.25 a share on the class A preference.

$100,000,000

Dominion of Canada 1937 Refunding Loan

The Bank of Canada is authorized by the Minister of Finance to receive subscriptions for this Loan, to be issued as follows:

One and One-Half Year 1% Bonds, due June 1, 1939
Issue Price: 99.125% and accrued interest, yielding approximately 1.59% to maturity

AND

Seven Year 2½% Bonds, due November 15, 1944
Issue Price: 98.50% and accrued interest, yielding approximately 2.74% to maturity

AND

Fourteen Year 3¼% Bonds, due November 15, 1951
Callable on or after November 15, 1948
Issue Price: 99.00% and accrued interest, yielding approximately 3.34% to maturity

The 1% Bonds will be dated December 1, 1937. The 2½% Bonds and the 3¼% Bonds will be dated November 15, 1937. Principal and interest will be payable in lawful money of Canada. Interest will be payable without charge, semi-annually, at any branch in Canada of any chartered bank.

Denominations:		
	1% Bonds	$1,000
	2½% Bonds	$1,000
	3¼% Bonds	$100, $500 and $1,000

Proceeds of this Loan will be used for refunding, in part, the outstanding total of $122,799,800 unconverted Dominion of Canada 5½% Victory Loan Bonds maturing December 1, 1937. The additional cash required for this purpose will be provided from the treasury.

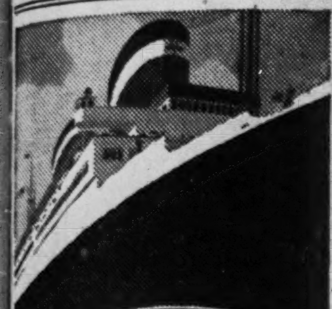
Payment is to be made in full against delivery of Interim certificates on or about November 15, 1937, in the case of the 2½% Bonds and the 3¼% Bonds, and on or about December 1, 1937, in the case of the 1% Bonds.

5½% VICTORY LOAN BONDS DUE DECEMBER 1, 1937 (WITH FINAL COUPON DETACHED) will be accepted at par up to the amount required for payment of allotments of the new bonds. Resultant cash adjustments, where necessary, will be made at the time of delivery.

Subscriptions may be made to the Head Office of the Bank of Canada, Ottawa, through any branch in Canada of any chartered bank or through any recognized dealer from whom copies of the official prospectus containing complete details of the loan may be obtained. The Minister of Finance reserves the right to allot subscriptions in full or in part.

The subscription lists will open November 3, 1937, and will close as to any or all of the maturities, with or without notice, at the discretion of the Minister of Finance.

OTTAWA, NOVEMBER 2, 1937.



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Bond Redemptions

Bond Issues:	Rate	Year	Due	Price
Riordon Pulp ..	▲6%	1942	Dec. 31	105
Mississippi R. Pr.	5%	1951	Jan. 1	105

For sinking fund purposes: ▲$59,000.

Bond Tenders

8 p.m., Nov. 8, Joliette, P.Q. — $45,000, 3½% serial bonds, dated Nov. 2, 1937, redeemable in 30 years. Camille Bonin, sec.-treas.

What has Happened to the Market?
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Bond Markets

Ottawa Refunding Loan Features Bond Market

New Issue Offered in Three Maturities Means Substantial Cut in Charges — Other Financing Still Slow

The Dominion of Canada 1937 refunding loan made its appearance this week, with $100 millions being offered in three maturities. At the same time it was announced that the last of the tax-free issues, $122.8 millions of 5½% Victory Loan bonds, due Dec. 1, 1937, will be retired from proceeds of the new loan and cash from Federal treasury. By this step, funded indebtedness of the Dominion will be reduced $22.8 millions, and a substantial saving in interest charges will result while interest paid on the new bonds will be subject to income tax.

The seven-year 2½% bonds, due Nov. 15, 1944, are being issued at 98.50 to yield approximately 2.74%. Compared with 2½% bonds due 1943, which are already outstanding, this yield appears attractive, as the 1943 issue had an indicated yield of 2.4% based on the Oct. 30 closing price.

The 14-year 3¼% parcel, due Nov. 15, 1951, and callable on or after Nov. 15, 1948, yields approximately 3.34% at its issue price of 99, which is closely comparable with yields on similar bonds already outstanding.

Both the seven-year and 14-year bonds are dated Nov. 15, 1937. This offers an added inducement for Victory Loan holders to convert their holdings, as they are permitted to detach the last coupon on their old bonds before turning them in at par, thereby receiving interest on both old and new bonds for the period to Dec. 1. It is believed the tax-free issue is held largely by institutions and a comparatively small number of individuals. It is to be hoped that no further issues of this type will be floated. The tax-free feature was prompted by stress of war-time conditions, and a 5½% rate on Dominion bonds shows little sign of return.

Speculation in Bonds

"As a result of recent price recessions in all securities, numerous opportunities are now available for favorable investment in the bond market on a basis which offers more than usual possibility for capital appreciation," writes Allan B. Fisher Ltd., Toronto investment firm, in their current market letter. They point out that many investors are inclined to overlook the fact that market appreciation is not confined alone to stocks and draw attention to the many corporation bonds now quoted well below the high levels reached earlier this year, obligations of companies whose position and prospects have definitely improved in 1937.

Among the issues which they mention are Abitibi 5% bonds, Brown Co. 5½% bonds, Consolidated Paper Corp. 5½% bonds, Canada Steamship Lines 5% bonds, Minnesota & Ontario Paper Co. 6% bonds and Lake St. John Power & Paper Co. 5% bonds.

* * *

Government Bond Sales

New Canadian Government and municipal bond financing continues at a low level with aggregate bond financing only $627,048 in October, without including treasury bill sales, according to a compilation by Wood, Gundy & Co. Largest single item was $250,000 of British Columbia guaranteed Vancouver Joint Sewerage and Drainage District 4% bonds. A number of small Ontario municipal issues were sold, the total being $208,648. In October, 1936, total bond sales by Canadian governments were $56.9 millions. Treasury bill sales were $50 million in October, 1937, and $55 millions in the same month of 1936. Canadian governments have not sold any new issues in the London market either this year or last while the amount placed in the United States market has been $88.2 millions in 1937 and $88 millions in the first 10 months of last year.

New Government Bond Financing
Ten Months Ended Oct. 31

	1937 $	1936 $
Dominion	234,000,000	401,700,900
Dom. treas. bills ..	485,000,000	415,000,000
Provincial	96,196,000	94,078,000
Ontario municipal	25,990,390	11,145,065
Que. & Mari. munic.	17,289,245	19,596,100
Western municipal	1,333,000	541,000
	859,808,635	942,061,265

* * *

Corporation Financing

Proportion of new capital raised by Canadian governments through bond issues in the first 10 months of 1937 has been somewhat greater than in the corresponding period of 1936. Refunding has still been a major contributor. Total amount of new bond sales by corporations has been only a little over half of that for the corresponding period of 1936, but still larger than for any other year since 1930, according to Wood, Gundy & Co. Details of this class of financing for the first 10 months of 1937 as compared with the corresponding period of 1936 follow.

New Corporation Bond Financing
Ten Months Ended Oct 31

	1937 $	1936 $
Public utility	30,918,500	67,217,424
Railway	30,380,000	53,000,000
Industrial & misc.	64,057,600	94,236,300
	125,356,100	214,453,724

* * *

Trend of Bond Prices

The bond market anticipated the Dominion loan toward the end of last week and prices for most high-grade government issues were somewhat lower. Little change was shown in most provincial issues, with very little trading in evidence.

Corporation bonds generally gave a better account of themselves with a good demand shown for such issues as Canada Cement 4½% bonds, Dominion Tar & Chemical 4½% bonds, Union Gas Co. 4½% bonds and Shawinigan 4% bonds. Most speculative issues were also stronger, with the newsprint issues, Beauharnois 5% bonds and Massey-Harris 5% bonds leading the way. Generally higher prices for stocks resulted in the few convertible issues on the Canadian market, such as Dominion Steel & Coal 6¼% debentures and Price Bros. 4% debentures, making gains of several points.

Actual course of high-grade government bonds is shown by the index which follows.

Average Price and Yield for Seven High-Grade Government Bonds

1937	Price $	Yield %	1936	Price $	Yield %
Nov. 1	112.73	3.349	Nov. 2	115.64	3.154
Oct. 30	112.66	3.359	Oct. 30	115.60	3.156
Oct. 29	112.64	3.360	Oct. 29	115.33	3.184
Oct. 28	112.64	3.360	Oct. 28	115.12	3.206
Oct. 27	112.60	3.360	Oct. 27	115.16	3.209
Year's	116.81	3.206	Year's	117.91	2.966
Range	111.60	3.505	Range	111.50	3.597

Grace-Larder Gold, in Larder Lake area, has acquired control of four additional claims immediately adjoining the original property on both ends. This gives company 7,000 ft. along line of strike. Arthur A. Lee, resident engineer, will arrange for carrying out of diamond drilling programme during the winter. Mr. Lee reports that 1,500 ft. of mineralized vein material, ranging in width from 5 to over 25 ft., has been opened in surface exploration. Mineralized break is reported to extend across the property for 5,000 ft.

Municipal Finances

Waterloo, Ont.—Total taxable assessment, as revised in 1937, is $6.2 millions, an increase of $244,994 over the 1936 figure. This gain represents 1.59 mills at the present tax rate and is one of the largest gains in the town's history.

* * *

Winnipeg Man.—Board of valuation and assessment has approved of $731,220 reductions in realty assessment.

* * *

Vancouver, B.C.—A by-law will be submitted to ratepayers at the municipal elections in December, asking them to approve transfer of $350,000 from the unspent balance of the Burrard Bridge Construction by-law, of which $200,000 would be for extension of water works, $100,000 for sewer construction, and $50,000 for sidewalks and road work. City license collections to date in 1937 have set a new record at $531,380.

* * *

St.-Benoit-Joseph-Labre (Amqui), Que.—The corporation has been authorized by the Quebec Municipal Commission to pay interest due Nov. 1, 1937.

* * *

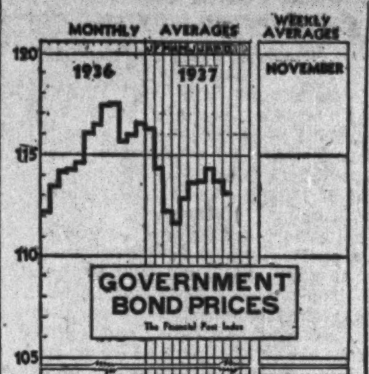
London, Ont.—The city council is asking ratepayers to vote on a by-law to raise $200,000 to complete an addition to Victoria Hospital.

* * *

Rouyn, Que.—An improved financial position is enabling the town to redeem before the end of 1937 $2,000 of debentures prior to maturity date in 1939. A bondholders' protective committee has been supervising the town's affairs since 1931.

* * *

Three Rivers, Que.—The city has rejected the bids received on Oct. 25 for $125,000 of debentures as the prices were considered unsatisfactory.



Anglo Phone Converts Stock

Plans to Increase Dividends on Class "A" Shares to 6%

From Our Own Correspondent

MONTREAL. — Anglo-Canadian Telephone Co. has called a meeting of shareholders for Nov. 30 to consider a proposal to simplify the company's capital structure by elimination of class "B" stock. It is further proposed that the class "A" shares be given the right to a 6% non-cumulative preferential dividend with participation rights on a share for share basis with the deferred stock in any additional dividends.

At present class "A" shares are entitled, after dividends on the 5½% preferred stock have been provided for, to non-cumulative dividends of 2½%. After 2½% has been paid on the class "B" shares, a further dividend of 3% may be paid on the class "A" stock. This means that the class "A" shares cannot receive the full 5½% dividend unless at least 2½% is paid on the class "B" shares. Class "A" shares and deferred shares will continue to rank equally.

To Convert Class "B" Shares

The elimination of the class "B" stock, all of which is owned by the parent company, Associated Telephone and Telegraph Co., will be effected by the conversion of 143,550 shares into class "A" stock and conversion of 100,000 shares into deferred stock.

Outstanding capitalization before and after giving effect to the proposal is shown below:

Capitalization

	Before $	After $
5½% pref., par $50 ...	3,630,000	3,630,000
Class A	3,435,500	4,871,000
Class B	2,435,500	....
Deferred	1,000,000	2,000,000

To Increase Dividend

It is expected that the immediate effect of the change in capital, as proposed, will be to permit an increase in the dividend rate on the class "A" shares from 5½% to 6%.

Earnings of the company during the first nine months of the current year were slightly better than in the corresponding period of 1936. Shown below are comparative earning figures on an investment company basis.

Earnings Statement
Nine Months Ended Sept. 30

	1937 $	1936 $
Divids., interest	474,345	478,856
Less: Gen. exps. & taxes	68,888	74,566
Net income	405,457	404,290

I. A. C. Earns $4 on Class A In 9 Months

Industrial Acceptance Shows Wide Expansion Up to Sept. 30

VOLUME UP 60%

From Our Own Correspondent

MONTREAL.—Industrial Acceptance Corp.'s net income for the nine months ended Sept. 30 amounted to over $4 a share on the 60,500 class A shares outstanding, according to a report released by the company.

Earnings available for interest during this period on outstanding convertible 4% notes amounted to over $400,000, or in excess of six times interest requirements, compared with earnings of $242,000 for the same period last year.

Available for preferred dividends on the $1.5 million of 5% preferred was an amount in excess of five times preferred dividends for the period.

Doing Record Business

Volume of business done by the company in the nine months was over 60% in excess of that done in the same period last year. Receivables on hand of over $14 millions and reserves for deferred income and credit contingencies of $879,000, were the highest ever reported.

For the first month of the final quarter of the year, business was substantially in excess of the same quarter in 1936. New car models and Christmas seasonal rush, particularly in the field of radios and refrigerators, are expected to maintain the volume of installment paper available to the company.

Big Advance in 1936

Last year the volume of receivables purchased by I. A. C. totalled nearly $22 millions, compared with $15.5 millions in 1935. This was the largest volume ever reported by the company. The improvement was coincident with the revival of the automobile industry in the early part of 1934, which has continued through the intervening period, with a marked gain being shown last year.

Net profit available for dividends last year was only $236,210, or considerably less than reported for the first nine months of this year. Nevertheless the showing was appreciably better than in 1935, when net profits totalled $127,336. These earnings were equivalent to $3.55 a share on the class A stock and $2.30 a share on the class B stock.

Reinhardt Breweries Pays 15-cent Interim Dividend

Reinhardt Breweries, Ltd., has declared an interim dividend of 15 cents a share, payable Dec. 1, 1937, to shareholders of record Nov. 15. Ex-dividend date is Nov. 12.

The company has changed its fiscal year end from the last day of February to Oct. 31, and a report covering the results of operations during the past eight months will be issued shortly.

Bond Sales

Treasury Bills

Latest sale of $25 millions of Dominion treasury bills, made on Oct. 29, 1937, marked another rise in the cost of this type of financing. The Oct. 29 sale was made at 90.80358, a cost basis of .781%. Last previous sale was at .696% and the trend has been steadily upward since the low point of .628% was reached on Sept. 1.

* * *

La Tuque, Que.

La Tuque school commission has sold $80,000 of 4% bonds, due Oct. 1, 1938 to 1952, to J. E. Laflamme Ltd. and Lucien Cote Inc. at 96.03, a cost basis of 4.57%.

* * *

Dominion of Canada

A 1937 refunding loan has been announced through the Bank of Canada for subscription on Nov. 3, 1937. Amount of the loan will be $100 millions, divided into three issues, as follows: 1% bonds, due June 1, 1939, and offered at 99.125, to yield 1.59%; 2½% bonds, due Nov. 15, 1937, offered at 98.50 to yield 2.74%; 3¼% bonds, due Nov. 15, 1951, but callable after 1948, offered at 99 to yield 3.34%. Proceeds of the loan will be applied toward meeting the maturity of $122.8 millions of 5½% bonds, maturing Dec. 1, 1937. The balance required is to be provided from current revenues.

Fire Losses Drop

For the fifth consecutive month, fire losses in the United States decreased in September from the same month last year.

THE PROMENADE DECK

DINNER · DANCING
SANTORO and LORRAINE
International Dance Duo
DIANE DENISE
Rainbow Room
CHARLES and BARBARA
The Stork Club
PAUL GORDON
Radio City
ROBERTA JONAY
The Waldorf Astoria
Music by Eugene Manners and the Promenaders
Dinner Dance and Cabaret, 7 to Midnight — $1.75 per person
Reservations — 9 A.M. to 9 P.M. — ADelaide 0246
Afternoon Tea — 3 to 5 P.M. — a la carte service
GENERAL ADMISSION
Including Fashion Shows at 3 and 8.30 p.m. 25c
PARKING—Cars may be checked at the door with driver service from and to the building.
CAR SERVICE—Bathurst, King and Lakeshore Cars connecting with Fort Cars to Automotive Building.
NATIONAL
MOTOR SHOW
OF CANADA
AUTOMOTIVE BLDG. TORONTO
NOV. 6 · 13

No one has ever lost a dollar of principal or interest by investing in Dominion of Canada bonds.

DOMINION OF CANADA
1937 Refunding Loan

	MATURITY	PRICE	YIELD
1½ year 1% bonds	1st June, 1939	99⅛,	1.59%
7 year 2½% bonds	15th Nov., 1944	98½,	2.74%
14 year 3¼% bonds	15th Nov., 1951	99,	3.34%

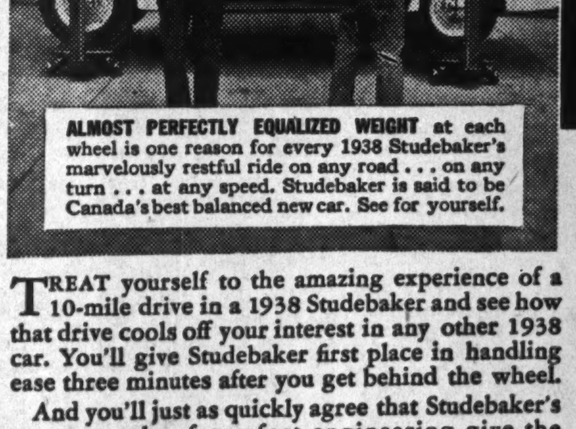
The new issue, which is confined to $100,000,000, will be used for refunding the presently outstanding $122,799,800 5½% Victory Loan Bonds. The balance of funds required will be provided from the Dominion Treasury.

The complete facilities of our offices are available for holders of the 5½% Victory Loan to convert into the new issue and for cash subscriptions. Orders may be telephoned or telegraphed at our expense.

HANSON BROS.
INCORPORATED
Established 1883

56 Sparks St., OTTAWA 2-5378
330 Bay St., TORONTO Adelaide 6408
255 St. James Street, MONTREAL HArbour 9281
110

Here's the 1938 car that sells itself in 10 miles!


ALMOST PERFECTLY EQUALIZED WEIGHT at each wheel is one reason for every 1938 Studebaker's marvelously restful ride on any road . . . on any turn . . . at any speed. Studebaker is said to be Canada's best balanced new car. See for yourself.

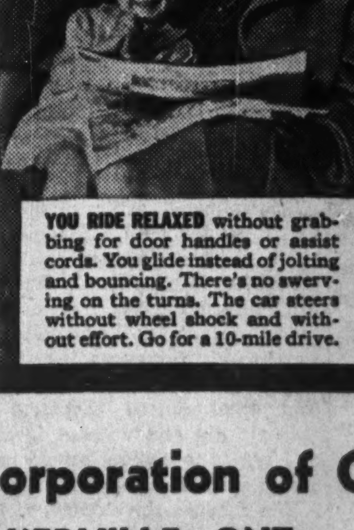
DRIVE THE AMAZING 1938
STUDEBAKER
BEFORE YOU DECIDE ON ANY CAR!

TREAT yourself to the amazing experience of a 10-mile drive in a 1938 Studebaker and see how that drive cools off your interest in any other 1938 car. You'll give Studebaker first place in handling ease three minutes after you get behind the wheel.

And you'll just as quickly agree that Studebaker's new marvels of comfort engineering give the smoothest, steadiest, most restful ride you ever had.

Every 1938 Studebaker model has an almost perfectly equalized distribution of weight at each wheel—a center of gravity only 25 inches from the ground—and the incomparable combination of symmetrical direct-action steering, independent planar wheel suspension and finest hydraulic shock absorbers at no extra cost.

They're saying all over Canada, "There's nothing to match the 1938 Studebaker in balance, handling ease and comfort!" Drive it before deciding on any car.


YOU RIDE RELAXED without grabbing for door handles or assist cords. You glide instead of jolting and bouncing. There's no swerving on the turns. The car steers without wheel shock and without effort. Go for a 10-mile drive.

EXTRA ROOM IN FRONT includes not only seat room but eye room. Windshields are extra wide and extra high. New vacuum-operated Miracle Shift, optional on Presidents and Commanders at extra cost, assures front floor clearway, simplifies gear changing.

The Studebaker Corporation of Canada, Ltd.
WALKERVILLE, ONT.

Hotel Standards Under Fire
Members of Ontario Hotel Association discuss ways of improving the business. Stress need for close observance of regulations.
LIFTING THE FACE OF HOTELS AND RESTAURANTS
Tremendous modernization of equipment under way. What is being done in many large premises.
RELAX BEER SALE LAW
in province of Manitoba, is recommendation of Hotel Ass'n. of that province.
Some of the many current features appearing in:—
CANADIAN HOTEL REVIEW AND RESTAURANT
481 University Ave., Toronto, Canada

Canners Object to Standardizing Tin Containers
But willing to show net weight in any size type on labels.
PACKERS PRESIDENT DISCUSSES COMPETITION
Two worlds of thought on competition, he states in address to grocers.
PROFIT IN ADVERTISING CANADIAN WHEAT AND SALMON
How it was done at Paris Exposition.
BRAZIL'S COFFEE CONTROL SCHEME MAY BE DISCARDED
Retention of plan has played into hands of growers in other countries.
Some of the many important articles in the current issue of Canada's leading grocery trade paper:—
CANADIAN GROCER
481 University Ave., Toronto, Canada

"Can't Make Me Maintain Resale Price"
Says prominent Montreal retailer in court case involving withholding of goods by manufacturer from a price-cutting retailer.
57 DEATHS FROM FATAL ELIXIR IN U. S.
What Canadian college professors and pharmaceutical manufacturers say in clearing up confusion resulting from press reports of deaths from sulfanilimide preparation.
CLOSER REGULATION OF POISONS DESIRABLE?
What is the lesson from the experience in New Toronto where allegedly through a druggist's prescription error, two women died?
Some of the many timely topics discussed in the current issue of Canada's national drug trade fortnightly:—
DRUG MERCHANDISING
481 University Ave., Toronto, Canada

Regulation Might Bring Higher Hat Prices
Retailers watch with interest series of conferences being held by Ontario hat industry with regard to wages and hours.
EXPECT RED LETTER YEAR IN FORMAL WEAR SALES
Canadian men's wear trade expects winter season of 1937 and '38 to be outstanding with regard to the purchase of formal wear.
CANADIANS DEMAND QUALITY GOODS
This is the opinion of S. D. Newman, export manager for H. & L. Fidler, Manchester, England, when interviewed.
Some of the timely and interesting features appearing in the current issue of :—
MEN'S WEAR MERCHANDISING
481 University Ave., Toronto, Canada

Reduction in Steel Operations Drastic But at 10-year Average
Production at 80% of capacity lasts from January to August, this year, reflecting very heavy demand for basic steel products.
SOUND BUSINESS FOUNDATION
Statements by Prominent Industrialists Indicate Sound Business Foundation Despite Stock Market Fluctuations.
MANUFACTURER MUST PAY FOR LOSS THROUGH NON-DELIVERY
Withholding of Merchandise From an Alleged Price Cutter, After Draft Has Been Accepted, Brings Interesting Court Case.
Three of many important editorial features in the current issue of Canada's national hardware fortnightly trade publication:—
HARDWARE AND METAL
481 University Ave., Toronto, Canada

Has Our Modern Industrial System Failed?
By HENRY SOMERVILLE, M.A.
A study of the ancient guild system offers many lessons in industrial organization and control for the benefit of industry and society at large. An address at the All-Canada Stationers Convention in Montreal.
CHILD APPRECIATION OF GOOD BOOKS THE HOPE OF TOMORROW
Stimulation of general reading habits in Canada can be best secured through the education of the children—libraries are already doing good work in this field.
MANITOBA APPRENTICESHIP PLAN AFFECTS RETAILERS AND WHOLESALERS
Some of the many articles of interest in the current issue of:—
BOOKSELLER AND STATIONER
481 University Ave., Toronto, Canada

The Financial Post

Member Audit Bureau of Circulations

A weekly newspaper, presenting in a popular manner, reliable information respecting investments, business and national affairs in Canada.

The Financial Post Has the Largest Paid Circulation of All Canadian Financial Papers

Editor—FLOYD S. CHALMERS
Business Manager—D. M. GOWDY

THE FINANCIAL POST BUSINESS YEAR BOOK, YEARLY, $2.
THE FINANCIAL POST SURVEY OF CORPORATE SECURITIES, YEARLY, $2.
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DIRECTORY OF CANADIAN DIRECTORS AND OFFICIALS, YEARLY, $10.
THE FINANCIAL POST SURVEY OF CANADIAN OILS, YEARLY, $1.

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GREAT BRITAIN, London—Resident representative, J. K. Ross-Duggan, Sun of Canada Bldg., 2, 3 and 4 Cockspur St., London, S.W.1. Telegraphic Address, Atabek, Lesquare, London.

TORONTO, NOVEMBER 6, 1937

The Financial Post's Platform for Canada

1. *Balanced budgets.*
2. *Abolish politics in C. N. R.*
3. *Merit system in public service.*
4. *Freer foreign trade through Empire preferences and foreign treaties.*
5. *Stable tariffs for balanced development.*
6. *Stricter laws to protect investors.*
7. *An even break for Canadian national newspapers and periodicals.*
8. *A modernized constitution.*
9. *Integrity in meeting public obligations.*
10. *Wider markets for our farms.*

Public Welfare Puzzle

A provincial premier in eastern Canada has written to The Financial Post to express his agreement with the view that we must tackle the problem of increasing the employability of the unemployed by improving their skill and physique. He suggests, however, that the provinces may be more competent than the Federal authority to achieve this end. Of his own province he says:

> "It seems to me our own people know conditions here best and that Federal officers may be handicapped by lack of local knowledge. Even assuming that Federal officers would be selected from citizens of our own province, the distance from Ottawa is so great as to offer a serious obstacle to success of the plan.
>
> "My experience with relief work is that the nearer the source of revenue and control the better is the work. When towns and municipalities assumed entire control of relief and received no money from the province or from Ottawa they paid more attention to the matter and cut relief costs very substantially.
>
> "If we administered relief as a purely provincial matter I believe we could do it more cheaply than the Dominion; and municipalities could do it even more cheaply than we. Hence the need for local control of all phases of relief and unemployment."

This is a clear statement of the case for local as opposed to remote control of the relief problem. But there are one or two other points to be considered.

For one thing we lack in Canada as yet any proper basis for organization of welfare services. We can expect neither economy nor efficiency in administration until we overhaul the whole machinery.

Not only is there confusion as to responsibility, we are equally disorganized in administrative machinery. Most of our services have sprung up over night in recent years and have been organized on a temporary basis. The inadequate structure has remained largely because Federal, municipal or provincial authorities have balked at setting up permanent machinery before constitutional disputes have been settled.

There are other facts to modify the provincial viewpoint outlined above. For example, it is no use imposing heavy welfare burdens on municipalities that are bankrupt or nearly bankrupt. Similarly, drought-stricken Saskatchewan cannot assume the same financial obligations as Ontario. In short, a general policy of decentralization, even if followed, is limited by the capacity of governments to meet the cost of various public welfare functions. Also, the chief spending authority should be, as a general rule, the administrative authority. It is not sound practice for a province to spend money largely provided by the Federal Government, nor for a municipality to administer funds supplied wholly or largely by a province.

A national problem such as cyclical unemployment requires national handling because its solution is in large measure beyond the scope of local or even provincial attack. The magazine Fortune recently concluded a special unemployment survey in the United States. One question asked was whether local communities were doing as good a job in giving direct relief to unemployables as the Federal Government did two years ago. The answer in most cases was: "No."

Such examples show what a complex, muddled problem faces Canada. Someone must take the initiative in straightening things out; in bringing order out of chaos. This responsibility falls naturally on Ottawa. But because Ottawa may do this it does not follow that Ottawa must assume administrative or financial responsibility for all welfare problems.

Ottawa should give leadership in finding a way out of the public welfare puzzle. The next requirement is provincial co-operation to make this leadership effective.

Life Companies Can Help

ONE of the planks in Premier Hepburn's recent election campaign was an unemployment insurance scheme for Ontario.

Mr. Hepburn should take a leaf from British Columbia's book and hold this plan in abeyance—at least until the Rowell Commission has brought in its findings. Premier Pattullo has wisely done this with his health insurance scheme.

Mr. Hepburn might meanwhile turn to Canadian life insurance companies and seek their aid in working out his ideas. Life companies on many occasions have indicated their willingness to assist in matters of this sort. Only last June, with Premier Hepburn as their chief guest and speaker, Canadian Life Officers Association, in annual convention, put forward an offer of co-operation through Victor R. Smith, general manager of Confederation Life Association and then president of the association. Mr. Smith pointed to a long and honorable experience dating back over half a century; to the fact that life companies now cater to one in every three of the population; to their resources of skilled and experienced actuaries, and to the combination of private enterprise with public supervision which already exists. He added:

> "It would involve no change in substance to extend this to some of the social projects our governments have in mind or upon which they have already embarked. In England the success of the social insurance programmes has been due in no small part to this combination."

Pending the deliberations of the Rowell Commission, Mr. Hepburn could very usefully contact the Canadian life companies on this very important matter.

Leadership in Newsprint

WISE leadership was never more necessary in the newsprint industry than at the present time.

Just when Great Northern and other independents are confirming a substantial price i[illegible]e in newsprint for 1938, news comes of a voluntary curtailment of output by Canadian mills forestall possible over-production. At the same time evidence accumulates that publishers both in Canada and the United States are taking definite steps to reduce the size of their papers in anticipation of the 18% increase in newsprint costs which most of them will have to absorb at the beginning of the year. Already, Toronto papers, for example, have arbitrarily eliminated or reduced a score of "regular" features toward that end. Higher rates for advertisers and higher subscription prices are forecast where they are not already in effect.

The $50 a ton newsprint price originally announced last spring and which becomes effective on Jan. 1 is not regarded by the newsprint industry as an unreasonable price. The worst that can be said about it is that it represent too big a jump to be taken all at once. It would have been better if the jump from existing levels ($42.50) had been made in easier stages. Future price changes might well be graded more evenly in the interests of both producer and consumer alike.

The most important element in a successful newsprint policy in Canada is co-operation. Producers must co-operate with governments in the regeneration of woodlands and in forest research problems. Producers must co-operate with publishers to hold their goodwill and ensure maximum sales both in United States and in world markets. Investors must co-operate with producers to ensure provision of adequate reserves for depreciation and depletion are maintained. Producers must co-operate among themselves to avoid short-sighted competitive practices.

Sooner or later Canada will have to face the threat of southern pine, or of Alaskan or Russian spruce or some other potential source of competition. Against that day, and against temporary problems of supply and demand such as being encountered at the present time, wise leadership and co-operative policies are essential.

Strike Picketing

STRIKE picketing of industrial and business establishments in Canada used to be comparatively limited in extent and simple in nature, even up to recent years. Essentially it was a device for strikers to advise non-striking workers and the public that a dispute was in progress, to induce continuing workers to join the strike, and to press the employer into settling the dispute. It also served the purpose of enabling strikers to observe if and to what extent a struck plant was operating.

Development of new tactics and the advance in labor organization during the past two years has considerably broadened the scope and effect of picketing. But Canadian law on the subject retains the basic conception of picketing in its old and simple form, with the added disadvantage of a confusing and uncertain phraseology.

These difficulties were analyzed by G. V. Nicholls, of the legal department of the Canadian Manufacturers Association, in a recent issue of "Industrial Canada." Mr. Nicholls concludes that the quality of certainty and clarity desirable in all good laws can be achieved in regard to picketing law only by legislative enactment or judicial interpretation.

The relevant section of the Criminal Code was amended only a few years ago to permit picketing designed to "obtain or communicate information." But Mr. Nicholls finds that the law is so phrased that it would be difficult if not impossible to convict persons merely for exceeding this limitation. It would also have to be shown, he contends, that the accused picketers were acting "wrongfully and without lawful authority," and trying to compel others to do or refrain from doing anything within their legal rights.

The modern development of mass picketing, the interlocking picket by two overlapping lines of strikers, the link picket of roped-together men, the intensive pressure on loyal workers, is noted by Mr. Nicholls. Such practices, as well as picketing methods designed to intimidate an employer or damage his business, Mr. Nicholls believes are subject to prosecution under both picketing law and general law. But he suggests that uncertainty of picketing law has made police and Crown authorities reluctant to prosecute except in clear-cut cases of violation of laws other than the picketing section.

Mr. Nicholls says our picketing law is not only uncertain, but restricts activities sanctioned under the basic conception of proper picketing. The C.M.A. should not allow Mr. Nicholls' observations to go unheeded. It should submit representations to the proper authorities at Ottawa. In view of current efforts to stir up workers and extend labor organization in this country, it would seem most desirable to have a picketing law that is clear and understandable enough to be enforced.

Merely a Hope

IT IS news to the Canadian public that the Dominion Government has a plan to solve the railway problem, yet this statement was made by Hon. C. D. Howe, Minister of Transport, in a speech before the Maritime Boards of Trade at Moncton. He said:

> "The Government has its own plan for solving the railway problem and one that I believe will be effective, given a reasonable time. That plan is to operate the Government-owned line efficiently and with a minimum of new expenditure until earnings warrant, and at the same time to give privately-owned railways the greatest possible freedom to do likewise. The plan provides that the Government shall do everything possible to increase traffic by encouraging foreign trade and by encouraging the development of new industries within the country."

In view of these remarks one might ask what constitutes a plan. To call Mr. Howe's programme a plan is absurd. It is merely a hope.

In simple language, Mr. Howe's statement means that the government is pursuing its policy of waiting for greater prosperity and hoping such a period will provide sufficient traffic to enable the Canadian National Railways to meet its fixed charges. Prospects of such an eventuality are remote. Even in 1928, its best year, the Canadian National failed to earn its interest charges by $24 millions and since then there has been a further increase in debt charges and in addition much valuable traffic has been lost to motor vehicles.

When the Minister of Transport states that the Canadian National is to be operated efficiently, he is merely indicating the obvious duty of the directors of the system. Then again, it has always been the duty of the Federal Government to encourage trade and the development of new industries. This policy is not inspired by the railway problem.

The Federal Government has had more than reasonable time to solve the railway problem. We have already waited on the wheels of fortune too long. The financial position of the Government has been impaired by the drain of railway deficits. It is time a constructive programme for the solution of the problem was evolved.

Editorials in Brief

$300 millions, says the Communist Daily Clarion of Toronto, is $300 for "every man, woman and child in the country."

We always knew there was something screwy about Communist arithmetic.

• • •

Regina Star says the main job in handling the country's problem of the unemployed is to get the employable separated from the unemployable and then to bend all energy toward providing work and wages for the "employables."

This puts first things first but omits to mention the very necessary job of rehabilitating our unemployed so that they will be fit—morally, physically and technically—to accept "work and wages" as they are found.

• • • •

Hon. Dr. Bruce has agreed to continue as Lieutenant-Governor of Ontario for the time being although his nominal five-year term has expired.

Dr. Bruce and his wife have ably filled this high office. Apart from the usual social amenities they have been leaders in many important crusades, most notable of which has been the campaign for better housing in the province. In the past three years Dr. Bruce has gained the friendship and admiration not only of thousands of Ontarians and scores of distinguished visitors, but also of Premier Hepburn, who impetuously campaigned three years ago to close Government House and reduce the office of Lieutenant-Governor to a purely routine status.

Sayings of the Week

"The possibilities of industrial development beggar any words you can think of."—*Charles F. Kettering.*

• • • •

"The world news every day is so much like a bad dream — a crazy muddle of hysteria and horror."—*David Lloyd George.*

• • •

"In a democracy there is no place for a labor party any more than for a bankers' party or a farmers' party or a school teachers' party."—*Nicholas Murray Butler.*

• • •

"The acts of the Italian Government sadly contradict its peace profession. Therefore, I can only believe these assurances if and when I see the act to support them."—*Hon. Anthony Eden, British Foreign Minister.*

• • •

"On the whole I would say that it seems a more suitable time for the purchase of securities than it was either last February or in July."—*Prof. O. M. W. Sprague, Harvard Graduate School of Business Administration.*

• • •

"What God calls a man to do he must do or suffer the consequences. I would not undertake to resist any man, or work, or to govern half a dozen sheep if I did it of my own self-will and stubbornness."—*Premier Aberhart.*

• • •

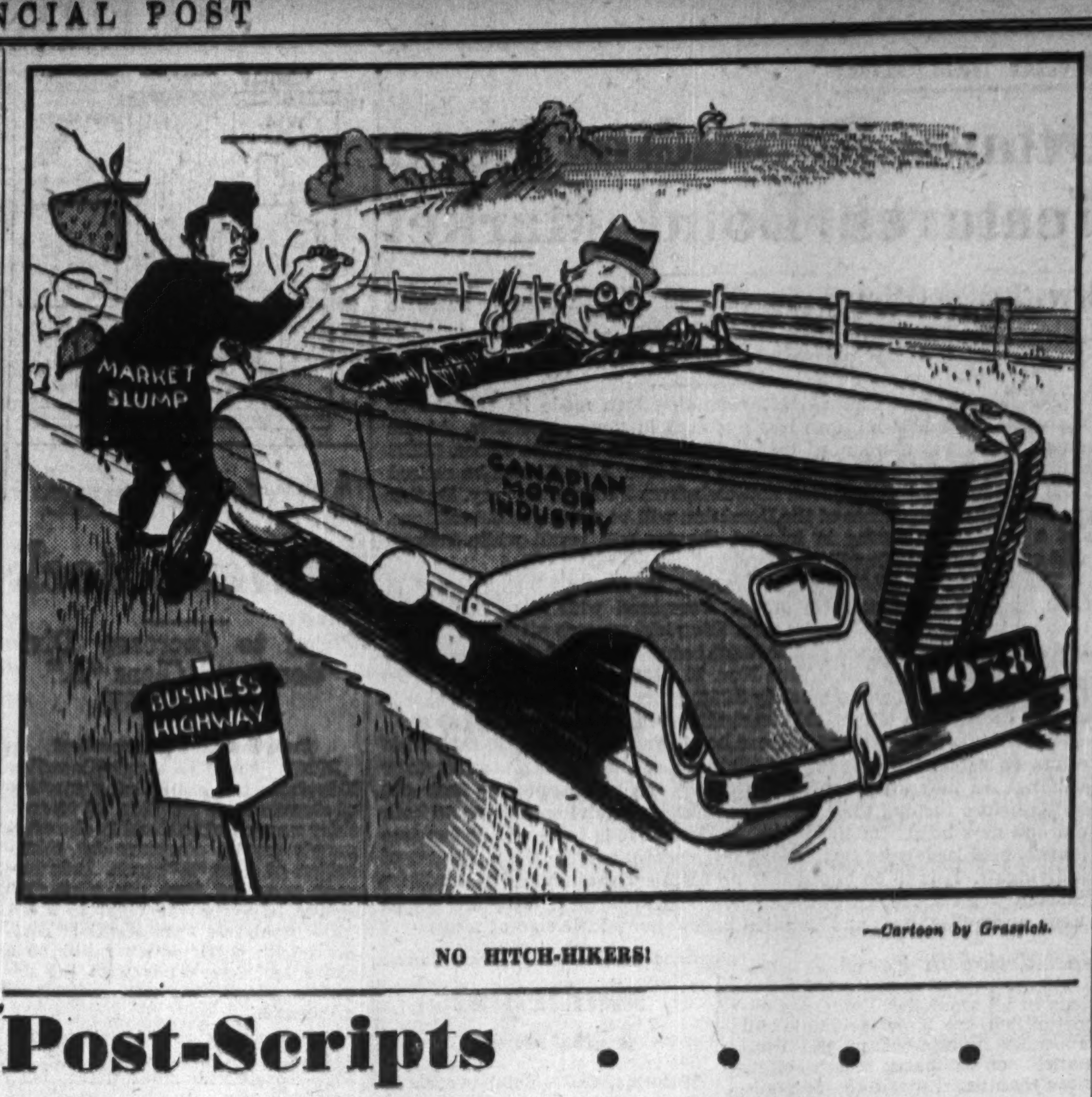
"I used to come here year after year when we had some differences between ourselves about rearmaments and also about a place called India. So I thought it would be only right I should come here when we are all agreed."—*Winston Churchill at Conservative Convention.*

• • •

"It is our purpose to discontinue general lending for the very good reason that there is enough available private capital to meet legitimate demands for all-purposes."—*Jesse Jones, Chairman, Reconstruction Finance Corporation, Washington.*

• • •

"I dedicate this building to progress toward the ideal of an America in which every worker will be able to provide his family at all times with an ever-rising standard of comfort."—*Pres. Franklin D. Roosevelt at opening of Federal Reserve Building, Washington.*



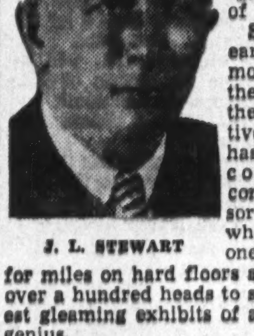
—Cartoon by Grassick.

NO HITCH-HIKERS!

Post-Scripts . . . .

Glamor-Man

Man of the week around Ontario is J. L. Stewart. Not only is he the king-pin of the National Motor Show which makes its debut at Toronto on Nov. 6, but he may rightly be called the "glamor man" of motordom.



J. L. STEWART

Since the early days of motor cars, the display of the automotive product has been a cold, hard, commercial sort of thing where everyone walked for miles on hard floors and peered over a hundred heads to see the latest gleaming exhibits of automotive genius.

Jack Stewart changed all that, and in the past few years in his National Motor Show at Toronto he has built up one of the biggest social and entertainment spectacles of the fall and winter season. Reservations for his floor show are actually made as much as eight months in advance and his guests will walk over 2,750 yards of carpet, drink 1,000 gallons of coffee and eat over a ton of turkey—all for the "privilege" of seeing the newest thing in 1938 automobiles.

With all eyes on the automotive world as a key factor in fall business prospects both here and in the United States, J. L. Stewart's big show will be watched with very special interest next week.

Fame Second Class

Great embarrassment and confusion arises inevitably when Canada's two most famous Doctors Dafoe register at the same hotel on the same day.

Last Saturday this happened in Toronto when Dr. John Wesley Dafoe, editor of the Winnipeg Free Press, and Dr. Allan Roy Dafoe, "country doctor" to the quintuplets, were both at the Royal York Hotel.

Dr. A. R. Dafoe checked out on Sunday morning and took a party of scientists north to Callander to see his charges. On Sunday afternoon we tried to get Dr. J. W. Dafoe on the telephone. We gave his initials and we mentioned Winnipeg but the hotel telephone operator persisted in telling us that "Dr. Dafoe" had departed. Not until we said we wanted "John Wesley Dafoe, who has nothing to do with the quints," did we finally get hold of him.

There are comparative degrees of fame and being a newspaper editor ranks considerably below being a quints' doctor.

• • •

Free Samples

Some of Canada's most striking coins, including the familiar dime, quarter and dollar of the jubilee issue, were designed by Emmanuel Hahn, Toronto sculptor. By now, Mr. Hahn is a little tired of hearing the obvious question of would-be jesters who want to know if he has any samples to give away.

Being a designer of coinage brought Mr. Hahn a moment of near-embarrassment recently. He had made some small purchase at a small establishment in Niagara Falls and tendered in payment two shining, new 25-cent coins. The proprietor of the shop had never seen similar coins before and suspected that an attempt was being made to pass counterfeit coins. Mr. Hahn assured the merchant that the coins were genuine but the merchant felt "thou doth protest too much" for his suspicions were only further aroused by the remark.

Somewhat amused by this time Mr. Hahn said, "Well, I know they are good coins because I designed them myself."

Nothing more was needed to confirm the merchant in his suspicions. It took the explanations of a third party to save the situation.

• • •

Russell Bell

Russell Bell, partner of the Montreal investment firm of Greenshields and Co., is shortly to be elected a governor of the Investment Bankers Association of America to succeed Col. Gerald Hanson, also of Montreal. For years it has been customary for the Association to elect a prominent Canadian investment dealer to the Governors' Council and in choosing Russell Bell, it has picked on a man who has been closely identified with the sister organization, the Canadian Investment Dealers Association.

RUSSELL BELL

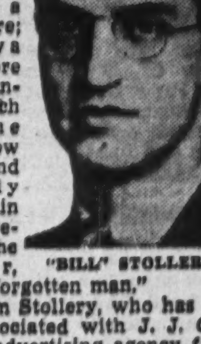
Russell is by no means an ordinary dealer who buys and sells stocks and bonds. He is noted for his sartorial elegance and speaks with a drawl that belies a quick-thinking mind. His fellow dealers envy him his job as president of Jamaica Public Service, the duties of which call to him very strongly just about the time Place d'Armes is swept with wind and snow. For relaxation, however, he favors chartering a 50-foot sailboat and cruising up and down the Atlantic waters just off Cape Cod. His taste in tobacco pipes can be appreciated only by a fellow-smoker. The pipes are abnormally large in size, as also is the glass match bowl which in the dark might easily be mistaken for a stray football.

Recently he redecorated his office in an advanced modernistic style; chairs in yellow leather, white walls and ceiling, zebra striped drapes and a series of shellacked maps.

All of this is just to say that Russell Bell is an individualist, whose counsel will be welcomed by the A. I. B. A.

"Bill" Stollery

Col. J. B. Maclean, founder and chairman of The MacLean Publishing Company, has always contended that the experience that best fits a man for business life is selling goods across the counter of a retail store; particularly a general store in the country. In such work one gets to know people and particularly does one gain a great respect for the consumer, often the "forgotten man."



"BILL" STOLLERY

C. William Stollery, who has just become associated with J. J. Gibbons Ltd., advertising agency firm, as financial expert and public relations counsel, has had in some degree anyway, the experience Col. Maclean demands. "Bill" Stollery put in many days clerking in his father's haberdashery shop in Toronto, and one summer in a country general store at Point au Baril, Ont.

Mr. Stollery has had plenty of other experience in other directions. Like most of the Stollery boys he has played college football. He was a member of the University of Toronto senior hockey team.

After graduating from university Mr. Stollery went into financial business and was associated with a Toronto stock brokerage firm. Floor trading in October and November, 1929, made him wish for the peace and quiet of the football scrimmage. In 1931 he came to The Financial Post and in six years worked his way up to the position of investment editor.

• • •

No Propaganda

Now he has resigned to join his fortunes with those of John J. Gibbons and his associates.

Those who have been associated with Mr. Stollery during the last six difficult years know something of his sterling qualities. He never takes anything for granted and always demands proof of statements made by enthusiastic propagandists. He thinks clearly and has a happy knack of being able to put his ideas down in simple 1, 2, 3 fashion. His feature articles and special investment studies have made his name and views familiar to many a Financial Post reader.

In his new work he will advise large business concerns on public relations. Our guess is that he will never write a line of "propaganda" for a firm unless he knows that the company's policies are sound. If he finds the company's policies bad he will tell the directors they do not need "free puffs" in the newspapers to cover up their errors but rather new and different policies that will sell themselves automatically to the public.

Capital Goes on Strike . . .

A strike by capitalists, large and small, explains the present uncertain and unsatisfactory conditions of business in the United States, says W. O'Neil, president of the General Tire and Rubber Co., of Akron, in the New York Times.

It is a strike not only of large capitalists but of little capitalists "who plan to spend a few thousand dollars in the building of a house." Reasons behind the strike are high taxes, large risks and the uncertainty of costs and conditions as a result of labor agitation.

"The very large capitalist is on a strike because he is faced with an 80% tax on his profits on stocks, which is not subject to deduction for subsequent losses. He will not risk financing new ventures if the Government's take is greater than that of the average gambling house, and he knows he will never get it back.

"The small-time capitalist, who has stayed away from Wall street and corporation finance, is on strike too. He will not build the house that he needs, and there are many thousands like him in the United States, because labor agitation, particularly in the best-paid industries, makes costs, building conditions and the permanence of industrial operations so uncertain.

"There is a widespread move under way now toward decentralization of industry and capitalists, large and small, are afraid to build because they are afraid that industry will move nd decentralize."

Mr. O'Neil suggests three ways in which the confidence of capital can be restored.

(1) The Government must stop insisting that a corporation which is in debt, without sufficient capital to operate safely otherwise, must pay out all of its earnings in dividends.

(2) It must be made possible for banks to lend money to corporations with the knowledge that, as the corporations earn money, the debt will be reduced and the company will not be obliged to pay out all earnings in dividends.

(3) The capital gains tax must be changed so that a person who loses money in one year and makes a profit in the next, at least may deduct his losses for a few years.

As Others See Us . . . .

U. S. Investments in Canada
Quebec Journal

There is no doubt but American investments in Canadian industries and public utilities are concentrated in Ontario and Quebec. Recently The Financial Post claimed that two thirds of the branch plants of American firms were established in Ontario. It would be useful to have details on the amount of American capital invested in each province. Such a study would not be completely exact. It would have to do without a general study of the situation. It would be more useful for example, to have the approximate amount of American capital invested in the Province of Quebec and in the principal industries of the province.

At all events the research of the Bureau of Statistics now furnishes a body of valuable information. Fortunately, from year to year, the information it provides becomes more detailed. The movements of capital are very difficult to follow. They will obey numerous causes. But with the means of the disposal of the Bureau of Statistics, we can hope that such information will before long be available. No one can ignore the importance of this information for Canadian business.

Old Age Pensions
Mount Forest Confederate

In a recent editorial on the Challenge of Old Age Pensions, The Financial Post estimates that for the present fiscal year the Dominion Government will be called on to contribute for this purpose about $30 millions, or about 5% of the total Federal revenues. A further steady increase may be expected as the privilege becomes more widespread.

We agree with The Financial Post in its warnings and suggestions. The tendency has been to shift the burden from the local taxpayer to the general taxpayer. Counties are now relieved of the cost altogether, and not only in this respect. The tendency will be for municipalities to get as many of its aged on the pension list as possible, without much check from the local boards, which had better be dissolved. It is to be hoped that the important check of publicity will be brought to bear. It is one great preventive of abuses.

Other People's Views . . . .

New Highway Policy
Vancouver Province

There must be a new highway policy (in British Columbia) if we are ever to have good roads.

But we are not likely to get sound policy or good highways either until we insist upon the divorce of roads from politics, and to ensure that we ought to insist upon the creation of a highway commission. It should be a commission answerable to the Legislature, free of Government interference and the curse of Government patronage. It should have wide operative powers, something like those exercised by the Greater Vancouver water authority.

Then we might get somewhere on good roads that would pay their own way toward a prosperous tourist industry.

Third Parties in Canada
Regina Leader-Post

An active, sensible left wing movement is desirable in Canada as a goad and prod to mass thinking and as a factor to assist in applying remedies to the inequalities and injustices that exist among men. Left wing representation is useful in legislative bodies. There would appear to be a legitimate place for the C.C.F. once its leadership or even its zealous supporters get the idea out of their heads that those who do not agree with them must be crooked and dishonest, tools of the "Interests" and citizens of generally low character who grind the faces of the poor.

When the C. C. F. and left wingers in general get over their penchant for insulting the Canadian electorate they may go further toward winning membership in democratic assemblies.

No Newfoundland Dictatorship
Montreal Gazette

The irrepressible Jock McGovern, fiery Independent Labor member of Parliament for Glasgow, charges that Newfoundland is in the hands of a financial dictatorship. Mr. McGovern has again gone to extremes. When the Dominion in question was on the financial rocks in 1933, the people called for a change and in November of that year the Legislative Council unanimously passed a resolution from the Lower House in favor of a temporary suspension of Dominion status and recourse to Government by Commission under authority of the United Kingdom. Accordingly, a Commission of Government was established, composed of Newfoundland and British members. The British Government extended financial aid as well as advice and in the meantime there has been considerable improvement both in Newfoundland's public finances and in her industry. Dominions Secretary Malcolm MacDonald, therefore, was in a position to assure Glasgow's representative in the Commons that when the island is more self-supporting, the "old Constitution will be reverted to." The answer should disabuse Mr. McGovern of the idea that Westminster is holding the Newfoundlanders under a dictatorship of any kind. They are being helped along the road to complete recovery, which was what they had in mind when they petitioned Britain for a Commission of Government.

Economic Freedom in B. C.
Winnipeg Free Press

Among various classes of agricultural producers in British Columbia there are evidently many in whose breasts the spirit of freedom still lives, and they are in revolt against arbitrary control of the marketing of the fruit of their toil under new legislation passed in B. C. this year and lately declared valid by the Court of Appeal of that province.

The protests and defiance of the potato-growers are followed by those of the milk producers, and an association of independent dairy farmers announces that it will carry the appeal against the British Columbia Marketing Act to the Privy Council.

This marketing control and strait-jacketing of the producer when it comes to selling what he has grown is undertaken for the supposed benefit of separate groups of producers. It is to compel the farmer or fruit-grower to sell his product in what someone else says is the most advantageous way for that group.

It will be unfortunate if the appeal to the Privy Council by the independent milk producers does not bring before that tribunal an important point in regard to the control of marketing—the virtual abolition of freedom of commercial intercourse between the provinces as supposedly provided for by the B. N. A. Act. The judgment of the B. C. Court of Appeal is interpreted as recognizing the province's right to control shipments of farm produce within the province. This has been taken to mean that the various marketing boards can control and regulate all shipments to the boundary of British Columbia, and thus control shipments to other provinces.

Can a province do, by an indirect method, something entirely contrary to the B. N. A. Act? Has not the Privy Council already answered that question in the negative?

This is a question of much too great importance to be left to be decided in a case which will be supported in the courts by only slender private means. If a province can prevent a resident from shipping goods or produce belonging to him to destinations outside the province at any time he chooses and under any conditions that seem good to him, then the provision of the B. N. A. Act giving the Dominion control over trade and commerce is a mere collection of meaningless words. The Dominion Government might well see to it that this issue in the upper courts is adequately presented, considering the crippling consequences that would follow the upholding of the finding of the B. C. Court of Appeal.

Stop Me If You've Heard This One . .

Two pickpockets were strolling along the road together. Every now and again one of them would stop, take out his watch, and look at it.

His companion began to get annoyed.

"Jim," he said, "what's wrong? Why d'you keep looking at your ticker? Ain't it goin' or something?"

"I'm not looking at it to see the time. I'm looking at it to make sure it's still there!"

Week in Business

Car Sales Barometer Of Business Ahead

If New Models Sell Lull is Over — Stabilization in Commodity and Labor Costs Pave Way For Recovery

Sales of the new motor cars now being introduced to the Canadian public will soon indicate which way business is pointing. Dealers both in this country and in the United States realize that the pace may not be quite as fast as was the case a year ago when during the first half of the year each month's sales showed an increase over its predecessor. It is generally expected, however, that there will be no serious falling off in purchases particularly in the lower priced brackets. Already a fair percentage of pre-Motor Show selling of such cars has taken place. Buyers in this class in Canada have not been hit by any depression. There have been no cuts in wages or salaries, employment is at the best level since 1929, and farm returns likewise.

In the higher priced or luxury cars, however, there may be a different story as stock market losses must have been fairly serious and due to higher costs, the immediate outlook for dividends is not regarded as quite as bright as six months ago.

* * * *

But even luxury sales in Canada may not suffer as much as might naturally be supposed. In this week's reports of the Canadian Credit Men's Trust Association correspondents continually stress the improving volume of jewellery, radios and furniture moving. Such sales apparently have been very satisfactory in eastern Canada, particularly with last year's substantial record to date exceeded. Clothing and food sales are reported generally as good or better than last year, hardware almost the equal of last fall's boom, gasoline and oils good, motor accessories slack, boots and shoes fair, drugs fair and collections fair.

* * * *

While Canada's foreign trade this year is already assured of reaching probably peak proportions the immediate outlook is somewhat clouded by high ocean freight rates and war in the Orient. Shipping through Vancouver, naturally enough under such circumstances, has been particularly hard hit. While prices and orders were still rising six months ago freight rates were a matter of comparatively minor importance, but with the situation now reversed there is some concern lest a serious decline take place.

* * * *

The path is getting cleared for real recovery, in the opinion of many "Big Business" executives both here and in the United States. Stability is again appearing in commodity prices and labor costs while main backlogs in housing, railway equipment, industrial construction and capital goods, developed during the depression, are still largely untapped.

* * * *

Figures released this week show that the tourist crop at any rate has escaped drought. With the main season over Canada reports an influx of well over three million foreign automobiles or a gain of almost 15% over a year ago. Moreover these friendly invaders, it is estimated, are staying a little longer each year with the proportion of those remaining at least two days being much larger than in 1936.

When visitors by train and boat are also added up and grand total for the complete year compiled, it will probably be found that the 1929 record of $309 millions spent by incoming tourists may have been exceeded.

Business Indicators

Business index of the Dominion Bureau of Statistics declined a point for the third week in October which was considerably less recession than in the previous week but latest position probably does not fully discount yet the recent stock market crash.

Railway carloadings were higher for the last week in October this year but net revenue of both big railways somewhat less in September due to small wheat crop harvested.

Construction contracts in October very much higher than same month a year ago with big advance in public building and engineering and residential construction almost holding its own. Cumulative more than $50 millions ahead of first 10 months of 1936.

Employment in all branches much higher than year ago.

Sugar manufacturing figures in recent months recovering lead of last year.

Current trend in Canadian business is shown by The Financial Post's index of business activity, with new figures for the week marked thus▲.

	Latest 1937	Latest 1936	Jan.1 to date 1937	Jan.1 to date 1936
Transportation—				
Car loadings, week (Oct. 23) ..	▲61,349	55,182	2,128,905	1,964,701
C.N.R. gr. earn., wk. (Oct. 21) ..	$ 4,522,175	$ 4,319,013	$ 158,919,765	$ 153,600,471
C.P.R. gr earn., wk. (Oct. 21) ..	$ 3,296,000	$ 3,205,000	$ 114,975,000	$ 109,536,000
C.P.R. net revenue (Sept.)	$ ▲3,141,712	$ 3,422,884	$ 13,073,491	$ 11,827,468
C.N.R. net revenue (Sept.)	$ ▲2,342,465	$ 2,962,637	$ 10,527,862	$ 6,205,461
Business Conditions—				
Weekly index, D.B.S. (Oct. 23)	▲105.5	111.9	......	......
Financial Post Index (Sept.) ..	123.8	115.1	......	......
Iron and Steel (September)—				
Pig iron production (tons) ...	77,180	51,892	655,438	465,785
Steel ingots and castings prod. (tons)	114,622	86,077	1,077,462	813,734
Automobiles (Number)—				
Passenger Cars:				
Domestic sales* (August) ...	6,344	4,396	84,122	72,857
Factory output (September)	1,926	2,481	117,816	100,088
Trucks and Buses:				
Domestic sales* (August) ...	2,730	1,541	24,192	16,744
Factory output (September)	2,491	2,174	43,855	25,650
Exports (September)	4,002	3,514	55,418	43,777
Financing (September)‡				
Used	$ 2,624,418	$ 1,939,819	$ 28,801,607	$ 20,559,082
New	$ 2,436,600	$ 1,922,520	$ 33,620,370	$ 24,770,774
Construction—				
Cons. contracts (Oct.)	$ ▲20,169,900	$ 14,957,200	$ 198,576,800	$ 142,628,800
Production—				
Cement, bbls. (July)	832,720	545,773	2,922,726	2,195,751
Gypsum, tons (July)	125,762	132,461	503,670	371,956
Clay (July)	$ 511,080	$ 406,304	$ 2,106,406	$ 1,777,375
Agriculture—				
Flour prod., bbls. (Aug.)	1,042,049	1,362,679	8,189,707	9,190,705
Flour exp., bbls. (Sept.)	306,655	378,318	3,006,934	3,502,122
Wheat exp., bus (Sept.)	5,903,060	20,720,316	64,774,751	162,386,678
Cattle sales (Sept.)	▲136,319	100,156	720,633	621,536
Hog sales (Sept.)	▲74,147	85,109	744,088	681,378
Sea Fisheries—Sept.‡—				
Catch, cwts.	▲1,467,789	1,084,521	7,101,549	6,876,801
Landed value	$ ▲1,926,755	$ 1,469,103	$ 14,454,625	$ 13,386,073
Newsprint (tons)—				
Production (September)	312,351	259,782	2,728,367	2,303,725
Exports, tons (September) ...	308,664	276,308	2,528,527	2,130,287
Mining—				
Coal prod., tons (August)	1,222,976	1,056,032	9,359,159	9,008,929
Coal imports, tons (August) ..	1,776,400	1,539,189	9,910,831	7,981,872
Gold prod., fine oz. (July) ...	347,474	321,107	2,320,725	2,096,815
Nickel prod., lb. (Aug.)	20,562,233	12,879,095	147,840,919	107,927,120
Copper prod., lb. (Aug.)	44,583,629	35,438,299	329,899,425	269,634,996
Employment D.B.S. Index (Oct. 1)—				
All industries	▲125.7	110.1	......	......
Manufacturing	▲121.7	109.0	......	......
Electric Power Output (Sept.)—				
Total monthly m.kh.†	2,051,849	1,916,296	18,037,492	17,331,511
Trade (August)—				
Retail trade (index no. of sales)	78.7	74.6	......	......
Wholesale trade (Aug.)•	9.0	......	......	......
Dept. store sales (June)•	81.5	75.7	......	......
C'try gen. store sales (Sept.)•	▲5.0	......	......	......
Imports (September)	$ 70,240,465	$ 52,962,972	$ 593,018,033	$ 450,866,372
Exports (September)	$ 95,216,148	$ 80,582,398	$ 824,504,609	$ 692,626,369
Other Industrial Factors—				
Dressed lumber, exp.:				
M. bd. ft. (September)	223,507	160,586	1,427,399	1,206,971
Boot & shoe prod., pr. (Aug.)	2,321,489	2,002,895	16,860,233	14,711,557
Crude petrol., imp. gal. (Sept.)	▲153,314,465	134,048,084	978,557,025	879,146,893
Cotton imports, lb. (July) ...	12,324,000	5,818,000	92,394,608	78,437,684
Raw rubber imp., lb. (Sept.) ..	▲5,367,536	5,361,220	50,810,537	43,134,281
Cigarette cons. (Sept.) No.† ..	627,062	516,172	5,001,210	4,082,565
Sugar (lb.)—				
Melting & sales§ (raw)	▲102,797,489	101,765,672	649,964,220	682,558,745
Manufactured§	▲107,859,853	101,692,741	634,134,794	661,109,378
Finance—				
Bank debits (September)†	$ ▲2,733,625	$ 3,133,585	$ 26,253,226	$ 25,893,228
Bond sales (September)	$ 54,226,149	$ 176,935,250	$ 915,440,714	$ 1,027,175,641
Life insurance (September) ..	$ 27,514,000	$ 26,090,000	$ 280,888,000	$ 262,300,000

*D.B.S. All-Canada figure comprising over 90% of the Canadian total.
†000's omitted §For 4 weeks to Oct. 9.
•Percentage increase over last year
‡Unrevised figures covering N.S., P.E.I., N.B., Que., B.C.

DOMINION OF CANADA
1937 Refunding Loan

2½% Bonds
Due Nov. 15, 1944
Price: 98½ Yield: 2.74%

3¼% Bonds
Due Nov. 15, 1951
Price: 99 Yield: 3.34%

We offer our facilities in connection with subscriptions to this Loan, either for cash or in exchange for Victory Loan 5½% Bonds maturing December 1, 1937.

Official prospectus on request.

Royal Securities Corporation
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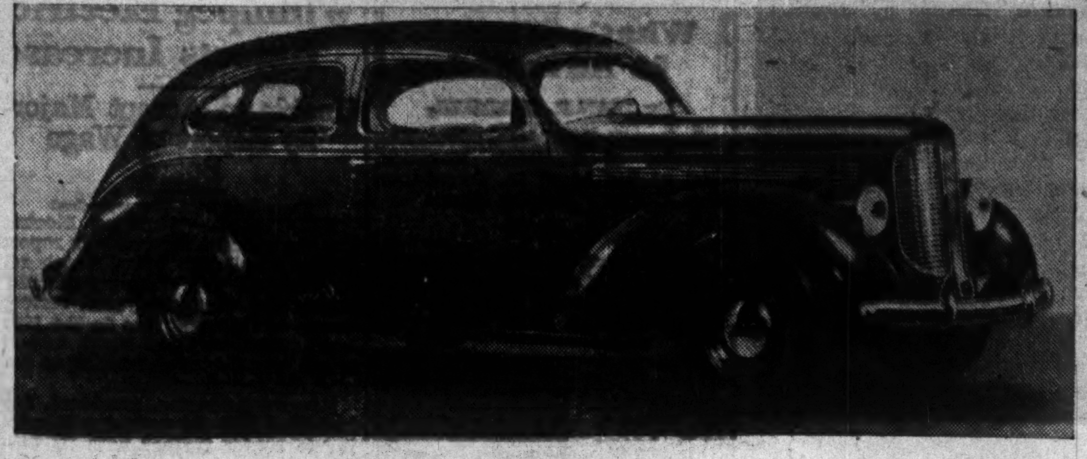


EASIER-DRIVING DODGE

Chrysler Corp. stresses easier driving for Dodge this year, with steering made still more responsive to touch, stronger braking, improved headlights and more windshield visibility. Greater riding comfort is guaranteed with full room for an extra passenger in the front seat, deeper cushions, longer springs and insulated bodies. Radiator and fender lines are redesigned. Above the new Dodge six two-door sedan.

Newfoundland Relief Down

Improved Conditions in Major Industries Permits Decrease

Improved economic and social conditions in Newfoundland, particularly in industrial fields as distinguished from the fisheries, are reflected in recently issued statistics showing a 53% reduction in the number of persons on relief.

In September, the total number of individuals receiving relief was 22,638, compared with 47,367 in Sept., 1936, and the number of families assisted dropped from 11,044 to 5,791. Relief expenditures in Sept., 1937, amounted to $46,321, compared with $87,365 in the same month of 1936. St. John's was the only community or district to show an increase, the 3,690 persons receiving relief there representing an increase of 606.

The statistics for the first time classify relief recipients into two classes — able bodied, and casual sick, aged and infirm. Of the 22,638 persons given assistance, 12,787 were listed as able bodied though the bulletin does not indicate that they were necessarily capable of being employed.

The improvement springs mainly from accelerated activity and increased employment in the mining, lumbering, pulp and paper industries, some units of which have achieved new peaks of production. Conditions are still unsatisfactory in regard to both the catch and marketing in various divisions of the fishing industry.

A shortage of small fish has created danger of loss of some of the market for Newfoundland fish in Portugal, and chaotic conditions in Spain have almost wiped out this market for the Island Dominion. However, arrangements by the Government to ensure at a low rate clearance of payments for shipments to Italy have gone far to stabilize marketing of fish shipments to that country up to the quota limit allowed.

Exchange Trading Volume Higher

Both share volume and dollar values of transactions on the Toronto Stock Exchange in October reached the highest levels since last April. Number of shares traded totalled 16,225,008 in October against 15,216,742 in September. Dollar values were $50.7 millions compared with $43.6 millions in the preceding month.

October saw an outbreak of severe liquidation on the Toronto Exchange that on the 19th took the market to its lowest levels in two years. Gold shares made the best showing on the exchange's indices, ending at 114.27, a gain of 18 points from the month's low of 96.27, and only slightly under September figures. Base metal stocks were somewhat slower to recover. The miscellaneous mines index gained 20 points from the low of 97.01, but ended down 14 points in the month. Bringing in a couple of new wells in Turner Valley caused the Western Oils to advance in the last week but the increase slowed down when increased prorations on potential production were announced.

Index of the industrial shares made a recovery of 18 points from the low of 110.63 but was still down 12 points from the month's opening.

Bankruptcies

The Canada Gazette announces meeting of the creditors in the matter of:

Maritime Florists Ltd., Halifax, N.S.
Tingey, A. E., London, Ont.
Jones, F. H., Toronto.
Ontario (The) Candy Co. Ltd., Port Arthur.
Wheadon, W., Hamilton.
Roy, A. C., Quebec, P.Q.
Marché Montreal Fruit Market, Inc., Quebec.
Lavigueur, Dame A. B., St. Lambert.
Dumont, A., Montreal.
Roberge, G., Senneterre.
Poulin, A., Montreal.
Beliveau, S., Montreal.
Leroux, G., Dorion.
Lalumiere, R., Montreal.
Hebert, H., Montreal.
Le Bane, S., North Battleford, Sask.

Background of Business

Tourists for Quebec

Money spent by the tourist industry in Quebec is now one of the chief sources of revenue of that province, the Quebec Tourist Bureau maintains. Figures just released covering the first and most important eight months of the current year show a substantial increase over a year ago. While short term visitors, that is under 48 hours or less, showed a slight drop, particularly in the neighborhood of Hull where road and bridge conditions were unfavorable due to repairs, the much more important regular tourist who stays over 48 hours gained considerably.

Total cars entering Quebec from United States and other provinces in Canada amounted to over 450,000 as compared with slightly under 400,000 a year ago. Of these 225,000 were American cars as against less than 195,000 for the corresponding period of 1936. This represents an increase of over 15%. Commenting on the season now closing the Bureau states:

"We have only to keep our province inviting as it is in order to receive tides of visitors. Our geographic situation is excellent. We are neighbor to a country which owns 70% of all the automobiles in the world. As attractions we have our picturesque wild scenery, a heritage of heroic deeds, gallantry, traditions and souvenirs which give Quebec a character unique in North America."

* * *

War and Prices

War waged by Japan in China and continuing hostilities in Spain so far have had little effect on prices of several leading commodities imported by Canada from the countries principally concerned. Raw silk, for instance, from Japan, is actually cheaper now than several months ago with further declines registered for November delivery. Stylewear Review in commenting on this states:

"It is quite possible that one of the reasons for the lowering of silk prices is because the Japanese realize the necessity of disposing of a large part of their most saleable crop in order to have money available for the purchase of war supplies. The decline of silk consumption in America is said to be a matter of grave concern to the Japanese—this may also be influencing the lowering of prices."

One of Canada's chief imports from Spain is olives. Though the crop this year is not plentiful, according to Canadian Grocer prices have actually been lower despite the civil war and the high ocean rates prevailing. However, no further drop in olive prices is expected on this continent because certain grades have been scarce not because of the war but due to unfavorable weather.

* * *

Waterproof Cloth

Permanently waterproof material is claimed from the application of a new chemical compound known as "Velan" recently introduced in Great Britain. It has been perfected by the Dyestuffs Group of Imperial Chemical Industries Ltd., Old Country equivalent of Canadian Industries.

Velan is stated to differ from existing waterproof media in that it does not merely close the spaces between cloth or coat the fibres, but combines with the material to create new compounds. It is said to impart to such fabrics as cotton, silk, wool, linen and artificial silks, a soft and supple quality which, will survive repeated washing or dry cleaning. When such cloth is treated with Velan, water, it is said, will roll off immediately. In the case of very soft texture cloth the water may be caught in the mesh or pile but it can easily be shaken out. None is absorbed by the fibres. The new substance, it is believed, will prove valuable for treatment of silk stockings, and ladies' fancy slippers, that are liable to be splashed by passing motor cars, or table cloth linen that may be soiled by upset drinks and also for the treatment of army putties, leggings and uniforms.

* * *

Employment Peak

Employment in Canada on Oct. 1 reached the highest point since 1929. Though the increase over the previous month was less than the earlier gain this year, over 23,000 more workers were employed than in September. After correction for seasonal influences the employment index of the Dominion Bureau of Statistics increased from 118.1 at Sept. 1 to 119.8, when it was higher than in any other month since the late summer of 1929.

Depth of depression in so far as employment is concerned was reached in the spring of 1933 when the index dropped to only a little more than 75. This compared with almost 130 during the latter half of 1929. There was a sharp improvement toward the end of 1933 and this was maintained with a little lull during the winter months right through until almost the end of 1934. Again there was a sharp drop but this was completely recovered about the middle of 1935 and each year from then on showed substantial improvement over its predecessor. In the last six months, however, this improvement has greatly accelerated with the present position now comparable with 1929.

Foreign Business

United States Dept. of Commerce summarizes foreign business as follows:

Argentina — Agricultural outlook more hopeful and, with industrial activity well maintained, there is considerable optimism in trading circles.

Brazil—Widespread retrenchment and a slowing up in all lines of wholesale and retail trade were evident in October, with manufacturing adversely affected.

Cuba — Business activity is still above last year's level but expansion has been retarded in some lines, partly because of the drop in sugar prices.

Guatemala—Heavy rains have retarded retailing, but importing, while lower than in earlier months, is surpassing that of a year ago.

Dominican Republic — Despite general seasonal dullness, arrivals of new crop cacao and coffee in the market have provided some slight stimulation.

Nicaragua — Climatic conditions have not adversely affected the current coffee crop, and the harvest should be fair.

Haiti—Prediction persists of a more prosperous year for Haiti, but some uneasiness has developed over the possibilities of disposing of all of this year's coffee crop.

Trinidad—Oil fields are operating at capacity, and business in general is steady; wholesale and retail trade continues in good volume.

British Guiana—For the first time in a considerable period, the business situation seems to be definitely on the upgrade.

France—Effects of the further decline in the franc dominated French business during September, leading to somewhat heavier exports but introducing confusion which inspired considerable caution.

Turkey—Imports increasing and exports decreasing, but for the first seven months the comparison is favorable with both branches of the trade larger and exports surpassing imports.

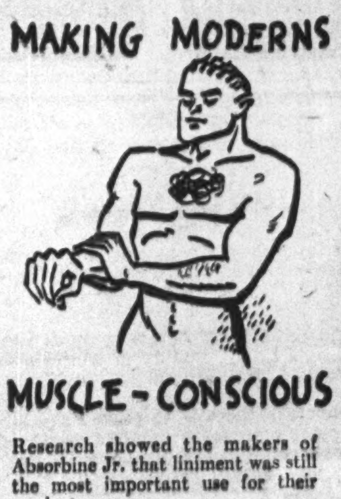
Egypt—Import trade continued to expand during August and for eight months of the year both exports and imports have increased with the favorable trade balance larger.

Iraq—The tendency toward Government monopolization of foreign trade and domestic business became less pronounced during the first half of 1937; foreign trade figures show an expansion in total turnover.

Australia — Activity prevails in most branches of Australian business, with iron and steel production at record levels, construction activity unabated, and manufacturing expansion extended.

Japan—Export trade during the early part of October declined in practically all branches; trade restrictions are expected to curtail imports materially.

China — Freight movement between Shanghai and the interior is increasing through the use of canals and creeks; food supplies at Shanghai are apparently ample.



MAKING MODERNS
MUSCLE-CONSCIOUS

Research showed the makers of Absorbine Jr. that liniment was still the most important use for their product.

But liniment today is apt to be associated chiefly with Grandma's rheumatics and Grandpa's sciatica. The advertising agency's problem was to make the IDEA of liniment interesting to moderns . . . to open new fields of acceptance among the *younger* generation!

First, science told us just what takes place in muscles after exercising. Lactic acidity! Fluid infiltration, causing swelling and soreness. Clinical tests showed that rubbing with Absorbine Jr. quickly brings fresh blood into these muscles to wash these wastes away.

Today Absorbine Jr. advertising, supported by these scientific facts, is directed at a vast new market—*amateur athletes*. People who *overplay* when they play . . . developing stiff, sore muscles. Overnight the use of liniment is made dramatically youthful, scientific, up-to-date.

Absorbine Jr. became a client of this company in September this year.

J. WALTER THOMPSON
Company, Limited

Serving 38 of Canada's leading advertisers, directing campaigns for these among other products: KRAFT CHEESE, MCCORMICK'S BISCUITS, SWIFT PREMIUM HAMS AND BACON, WINDSOR SALT, WRIGLEY'S GUM, CUTEX MANICURE SPECIALTIES, GILLETT'S LYE, PYREX OVENWARE.

Publishers Hit By Rising Costs

Paper, Labor Advance in U. S. — Higher Circulation Rate Adopted

From Our Own Correspondent

MONTREAL. — Newspapers in more than 50 cities in the United States have been forced to raise their circulation and subscription rates recently because of increased costs, according to a statement issued by W. G. Chandler, chairman of the newsprint committee of the American Newspaper Publishers Association.

Costs of newspaper publishing, according to statistics tabulated, have been advancing recently—far out of proportion to increased receipts from advertising and circulation. Payrolls, it was stated, have jumped ahead of even the 1929 level, both through wage increases and from additional employees taken on, while receipts generally are still below the 1929 total.

Every commodity going into manufacturing newspaper, with one or two minor exceptions, has advanced in price over the previous year, according to the A.N.P.A statistics. Publishers are paying more for metal, fuel, services, newsprint and all the numerous requisites to producing newspapers.

In one instance, in one group of newspapers, payrolls in nine months this year increased 9% over the already sharp increase of 1936. Taxes, especially for social security, are cutting into receipts, the report indicates.

Commodities

Price continues weaker with sharpest declines in Canadian farm products. Beef cattle, hogs and wheat all well down from a week ago though all very substantially ahead of this time last year. If present loss is maintained, and there are no immediate indications of any change, then Canadian farm income for current year will have to be substantially revised downward with consequent curtailing of expected purchasing power in rural areas.

Price Range

	Latest week	Previous week	Same week last yr.
Cattle	$7.50	$9.50	$6.00
Hogs	8.65	9.25	8.35
Copper, lb.	.12	.13	.10¼
Cotton, lb.	.0824	.0834	.1235
Rubber, lb.	.1572	.1589	.1750
Sugar, raw, lb. ..	.0317	.0320	.0335
Silk, lb.	1.76	1.75½	1.82½
Wheat, Man. (bu.)	1.38¾	1.46¾	1.07¾
Coffee, lb.	.09	.09	.08¾
Hides	.12½	.13	.11¾
Weekly Indices			
Canada (D.B.S.) ...	84.7	84.7	76.9
N. Y. Annalist	89.9	91.4	84.7
Fishers'	88.1	89.3	84.5
N. Y. Journal of Comm.	83.4	85.2	81.4
Crumps (Brit.)	80.3	80.4	73.1
U. S. Labor	86.6	86.9	81.2

Monthly Indices

Canada (D.B.S.)	Latest month	Prev. month	Same last year
Retail (Sept.)	83.4	83.6	81.1
W'sale (Sept.) ...	85.0	85.6	76.4
U. S. (Aug.)	87.5	87.9	81.6
Gt. Brit. (July)	111.5	110.6	93.6

Note: The base of indices is that 1926 equals 100. The British index is Board of Trade converted to 1926 base.

Base of price quotations is as follows: Cattle—Steers, good, over 1,050 lb., top price. Toronto; Copper-electrolytic, New York; Silk—Japanese, 13-15 New York; Sugar — 96 degrees centrifugal c/f New York; Wheat—No. 1 Man. North. Ft. W.-Pt. A. Basis; Hides—No. 1 packer light native cows; Hogs—select bacons, Toronto.

EXPERIENCE AND STABILITY

The many years of investment experience and the facilities of an extensive organization are placed at the service of our clients. This service may be secured at any of our branches.

A. E. AMES & CO.
LIMITED
Business Established 1889
TORONTO

Montreal Winnipeg Vancouver Victoria New York London, Eng.

We offer the new issue of:

DOMINION OF CANADA
3¼% BONDS
Due November 15, 1951
Price 99 and interest to yield 3.34%

These bonds are callable at 100 on or after November 15, 1948. Telephone or telegraph your orders, charges collect. We will confirm bonds at the above price without additional cost to you.

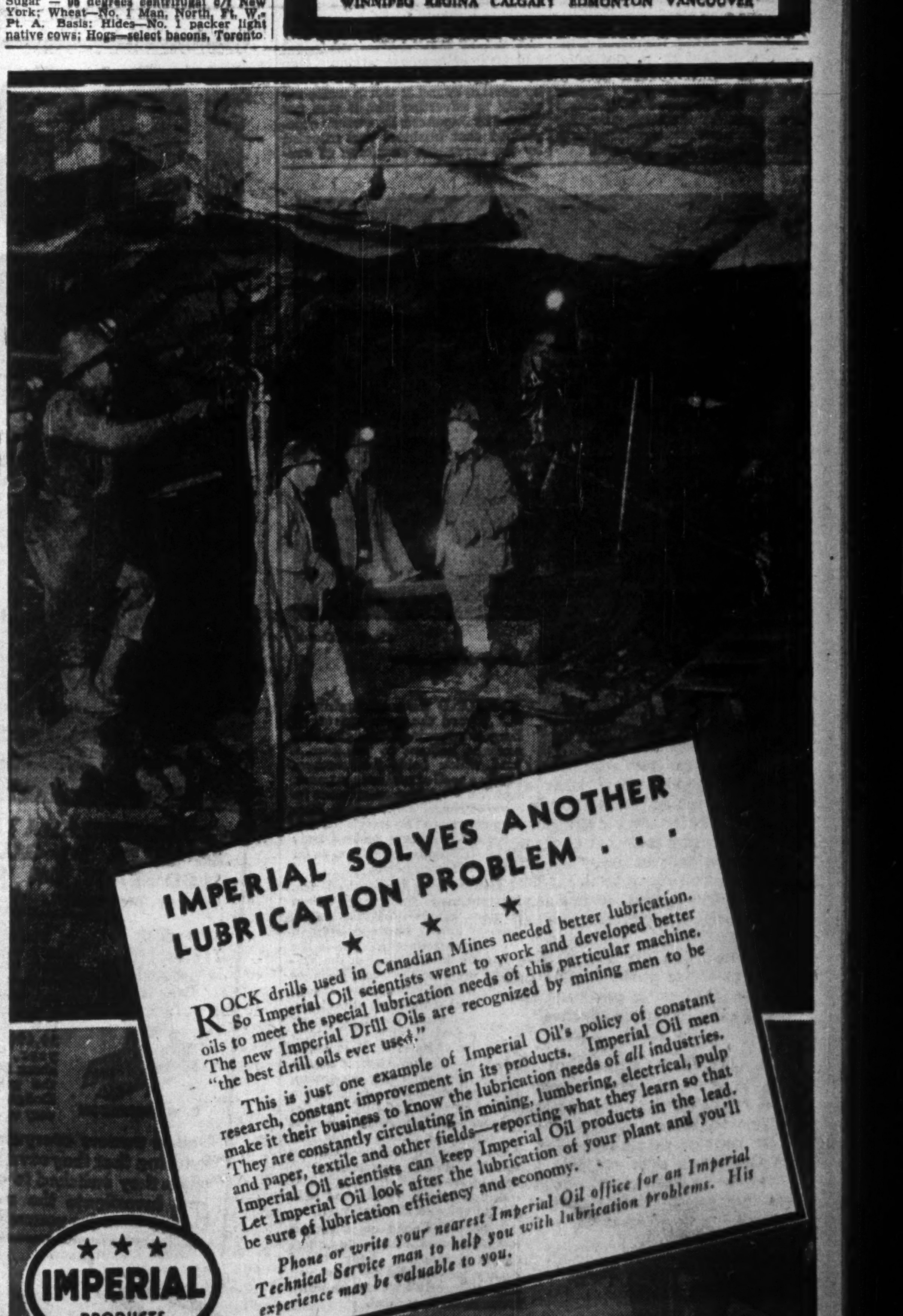
McLEOD, YOUNG, WEIR & CO.
LIMITED
Metropolitan Building, Toronto
Telephone: Elgin 0161
Ottawa Montreal London Hamilton
Correspondents in New York and London, England.

DB COMPANY LIMITED

Steel Structures, Railway and Highway Bridges, Plate and Tank Work, Electric and Hand Power Cranes, Hydraulic Regulating Gates and Operating Machinery, Caissons, Barges, Coal and Ore Bridges, Liftlocks, Turntables, Forgings, Boilers - Heating and Power Types, Coal Pulverizing Equipment, Domestic Heating Furnaces, Mining Equipment, Williams Buckets.

DOMINION BRIDGE COMPANY
LIMITED
HEAD OFFICE ... LACHINE (MONTREAL) QUE.

AMHERST MONTREAL OTTAWA TORONTO
WINNIPEG REGINA CALGARY EDMONTON VANCOUVER



IMPERIAL SOLVES ANOTHER LUBRICATION PROBLEM . . .

★ ★ ★

ROCK drills used in Canadian Mines needed better lubrication. So Imperial Oil scientists went to work and developed better oils to meet the special lubrication needs of this particular machine. The new Imperial Drill Oils are recognized by mining men to be "the best drill oils ever used."

This is just one example of Imperial Oil's policy of constant research, constant improvement in its products. Imperial Oil men make it their business to know the lubrication needs of all industries. They are constantly circulating in mining, lumbering, electrical, pulp and paper, textile and other fields—reporting what they learn so that Imperial Oil scientists can keep Imperial Oil products in the lead. Let Imperial Oil look after the lubrication of your plant and you'll be sure of lubrication efficiency and economy.

Phone or write your nearest Imperial Oil office for an Imperial Technical Service man to help you with lubrication problems. His experience may be valuable to you.

★ ★ ★ IMPERIAL PRODUCTS

IMPERIAL OIL LIMITED

Rail Earnings Show Advance

Nine Months Total up, But September Returns Reverse Trend

From Our Own Correspondent

MONTREAL.—Combined operating revenues of the Canadian National and Canadian Pacific Railways for the first nine months of the current year show an increase of 7.2%. Operating expenses also increased, but not as sharply. As a result net operating income is 30% higher.

Combined operating revenues of the two systems for the nine-month period totalled $251.1 millions, compared with $234.3 millions in the same period of 1936. Combined operating expenses increased from $216.3 millions to $227.5 millions and net operating income from $5.5 millions to $18 millions.

Operating expenses of the C.P.R. for the period increased 4.3% and of the C.N.R. by 5.7%.

Reflect Higher Wages

Results for both systems for the month of September indicate the effect of higher operating costs arising out of increased wages. While operating revenues of both railways were about the same as in September last year, expenses were higher. As a result the C.P.R. reports a decline in net operating income of $281,171 and the C.N.R. a decrease of $620,152.

Comparative results for the month of September and for the nine-month period are as follows:

CANADIAN PACIFIC

Nine Months Ended Sept. 30

	1937 $	1936 $
Gross earnings ...	105,101,990	99,943,579
Oper. expenses ...	92,028,049	88,116,110
Net earnings	13,073,941	11,827,469
Month of September		
Gross earnings ...	14,355,271	14,312,164
Oper. expenses ...	11,213,558	10,889,280
Net earnings	3,141,713	3,422,884

CANADIAN NATIONAL

Nine Months Ended Sept. 30

	1937 $	1936 $
Oper. revenues ...	146,075,299	134,448,312
Oper. expenses ...	135,547,437	128,242,851
Net earnings	10,527,862	6,205,461
Month of September		
Oper. revenues ...	17,930,439	17,956,964
Oper. expenses ...	15,287,954	14,994,327
Net earnings	2,342,485	2,962,637

Soo Line Deficit Will be Reduced

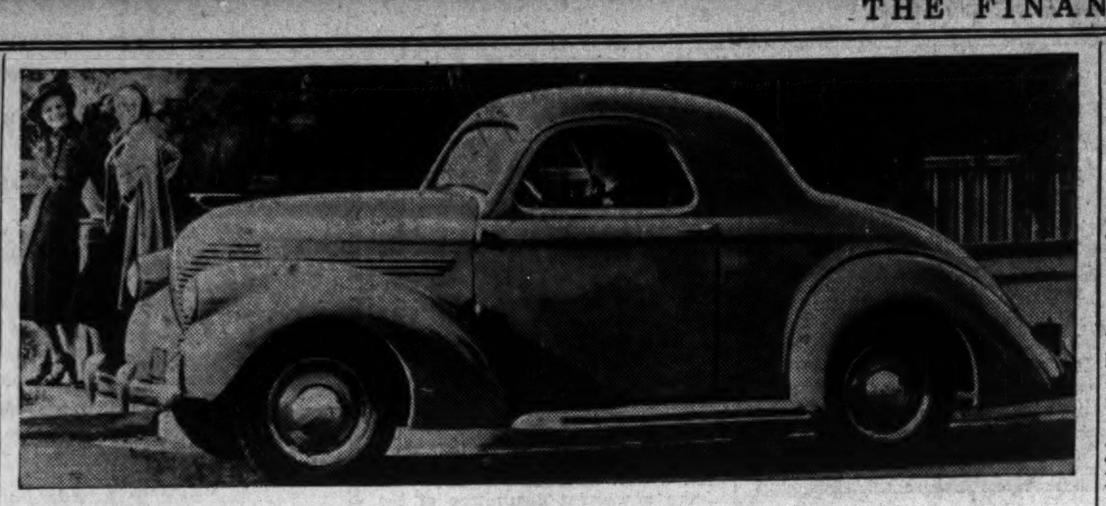
Increased Traffic Results in Small Profit in September

From Our Own Correspondent

MONTREAL. — Indications are that the deficit of the Minneapolis, St. Paul and Sault Ste. Marie Railway, subsidiary of Canadian Pacific Railway, will be reduced in the current year. Net deficit for the nine months ended Sept. 30 amounted to $3,992,632, compared with $4,357,168 in the like period of 1936.

Total revenues for September were $1,827,066, compared with $1,281,371 in the same month of 1936. After operating expenses, interest charges, etc., net income amounted to $3,596, compared with a deficit of $413,222 in the same month of 1936.

Increased traffic and higher freight rates are expected to offset the increase in operating expenses during the next three months as a result of the advance in wages.



WILLYS EXTENDS LINE

Willys-Overland Motors, which reentered the field last year with a 4-cylinder model, has now extended its line to include a coupe, a four-passenger sedan and a light delivery truck. The company stresses economy of operation, claiming up to 40 miles to the gallon, and also caters to the big car owner who needs a second and smaller vehicle for personal calls or use in downtown congested areas. In the 1938 models considerable improvement is reported in insulation against extremes of temperature, fumes, noise and vibrations. There is a wider range of colors and a 50-inch wide front seat. The unusual hood design of last year is continued.

B. C. Shoppers Boycott Japanese Storekeepers

Women Particularly Active in Unofficial Protest Against Shanghai Outrages—Counter Propaganda Circulated as Merchants Feel Pinch

From Our Own Correspondent

VANCOUVER.—Boycott of Japanese goods in British Columbia cities as a result of recent events in the Far East is becoming widespread, and so great have been the losses of Japanese retail establishments that efforts have been made to counteract the war news with freely distributed propaganda.

Representatives of the Japanese Merchants Association and the Canadian Japanese Association admitted to The Financial Post that there had been a noticeable decline in sales of Japanese merchandise in Vancouver and other British Columbia cities since the bombardment of Shanghai, and particularly since the incident in which British soldiers were killed.

Women Are Active

The boycott is, of course, unofficial, but it is nevertheless effective. Japanese storekeepers say that most of the active boycotting is done by women. "Many Canadian women are unable to distinguish Japanese from Chinese stores," reported an official of the Japanese Merchants Association. "They come in the store, ask whether it is owned by Japanese. If told that it is they walk out, usually after telling what they think of Japanese military policy."

Confectionery and fruit stores owned by Japanese, a mushroom development of the past few years, have suffered heavy losses and most of the business diverted to Chinese in the same line of trade. Sale of Japanese curios, dress goods, novelties and general merchandise has dropped sharply and during the past few weeks several Japanese stores have gone out of business. Many other Japanese stores have managed to operate only because of their location in the Japanese section where they receive the usual patronage of Japanese residents. One large Vancouver retail store owned by Syrians found it worth while recently to advertise that it was not owned by Japanese. Its owners complained that business was affected by the erroneous suspicion of customers that Japanese interests were financing it.

Organized Propaganda

Japanese Canadian Association, which was recently active in advocating enfranchisement of Japanese born in Canada, is now busy circulating pamphlets presenting the Japanese version of the trouble in the Orient. It is also reported that a Canadian advertising agency has been engaged to carry on propaganda work for the Japanese.

Cargo movement from Japan has so far not been disturbed. In fact, more Japanese freight has been moving into Vancouver during the last few weeks than before, apparently due to advance buying in anticipation of increasing difficulty in obtaining deliveries later. United States ports, however, report a decline in the cargo movement from Japan.

Japan is apparently finding it increasingly difficult to finance purchase of needed materials abroad. Copper and lead are moving out fairly regularly to Japan from British Columbia, and negotiations are continuing for sale of nickel from B. C. mines, so far without result.

Canadian Car Starts Work On Aviation Extension

From Our Own Correspondent

MONTREAL.—Canadian Car and Foundry Co. have begun alterations at the Pointe St. Charles plant to provide facilities for the assembling and testing of airplane engines.

Offices, a laboratory and an aerial assembly are provided for in the plans, the work to be carried out by the Foundation Co. Ltd.

N.S. Opposes Cut In Duties on Coke

Would Reduce Employment in Maritime Coal Fields

From Our Own Correspondent

MONTREAL.—Application of the Windsor, Ont., Coal Dealers Association to the Tariff Board, seeking removal of the $1 a ton duty on imported coke is opposed by Dominion Steel and Coal Corp. and the Province of Nova Scotia.

At a sitting of the Tariff Board held in Sydney, N.S., the Nova Scotia Government and Dosco requested that no change be made in tariffs that would reduce employment.

Hon. Michael Dwyer, minister of mines, stated that removal of the tariff would do a great deal to offset the work done by the Government in finding markets for Nova Scotia coal.

Supports 25% of Population

H. J. Kelly, vice-president and general manager of Dosco, told the board that 25% of the people of Nova Scotia are dependent directly or indirectly on the activity of his company. He estimated that more than 20,000 workers in the coal industry would be paid $25 millions in wages this year.

In a brief presented on behalf of the Quebec Power Co., A. J. Dawson urged that the Dominion Fuel Act be amended to allow full subsidy for carbonizing plants using 100% Canadian coal. At present coke burned in furnaces under gas producers is not subsidized as is coke sold for domestic use.

Guelph Carpet Pays $1 a Share on Common

The Guelph Carpet & Worsted Spinning Mills Ltd., paid a dividend of $1 a share on its common stock, Nov. 1, 1937, to shareholders of record Oct. 20. A dividend of the same amount was paid in November of last year, while payments in the years 1933 to 1935, inclusive, were 75 cents a share.

What's What In Advertising

By JEAN R. GEMMELL

G. Russell Donaldson, advertising manager of Maclean's Magazine, died at his home in Toronto on Nov. 1, after a lengthy illness.

• • •

Appointment of Bruce Young to the position of advertising and sales promotion manager has been announced by Col. F. W. Miller, general manager of Collins & Aikman of Canada Ltd. Mr. Young is well known in the advertising and automobile business. For a number of years he has been associated with one of Canada's foremost advertising agencies and has also directed adveertising and publicity for the National Motor Show of Canada. Mr. Young begins his new duties on Dec. 1, with headquarters in Toronto.

BRUCE YOUNG

• • •

Arthur J. McKenna, who has been attached to the staff of the Canadian Press for some years past at Ottawa and Montreal, has severed his connection with that organization and joined the Ottawa bureau of the Wall Street Journal and the Dow Jones Co.

• • •

The fall programme of advertising for Bulova Watch Co. reveals an increased schedule. Four-color pages and bleed spreads are being used in magazines and class papers to tell the story of their 1938 models which include such popular numbers as Minute Man and Canadian Girl. In addition to this they are constantly adding to their list of radio stations. Bulova advertising is directed by MacLaren Advertising Co.

• • •

Arthur Kudner Inc., New York, has been appointed to handle publicity and press relations for the Duke and Duchess of Windsor while in the United States.

• • •

F. H. Hayhurst Advertising Agency announce the release this week of a special campaign in Toronto newspapers to publicize the merits of Lymoids, a product of Rolls and Darlington, and for the relief of people afflicted with coughs and also for singers and public speakers.

• • •

Chrysler Corp. of Canada Ltd. ran their initial campaign in color in the Star Weekly when they used four pages to introduce their 1938 Chrysler, Plymouth, Dodge and DeSoto. They will also have their annual 40-page insert in Canadian Automotive Trade in which they introduce their product to the trade. Eight-color pages are also running in various magazines and class papers. Walsh Advertising Agency is releasing the copy.

Winnipeg Electric Rejects Increase

Unable to Accept Majority Report of Wage Board

From Our Own Correspondent

MONTREAL.—Winnipeg Electric Co. has rejected the majority report of the concilation board which recommended the company should, during the next two years, restore wages of its employees to the 1929 level. The company states that it is not in a financial position to accept the recommendation.

Edward Anderson, president, has indicated that the company is willing to confer further with its employees on the question of some wage restoration for the coming year.

Earnings Decline

In a statement rejecting the award, Mr. Anderson points out that earnings of the company have declined in the current year and at present are far below the 1929 level. Furthermore, bondholders and shareholders have already taken a large loss. He adds:

"To increase operating costs so heavily at this time would prevent our getting new capital and might seriously interfere with our negotiations now pending with the city with a view to modernization of the system, as any agreement entered into with the city would require the purchase of new equipment, which the company would not be able to do if it was burdened with additional operating costs."

Montreal Debt Plan Is Reviewed

From Our Own Correspondent

MONTREAL.—The bogey of debt conversion for the city of Montreal has reappeared.

Mayor A. Raynault has announced that he has been working on a plan for conversion of the city's debt for some time and that he estimates that the city could save $1 million annually by refunding its high coupon bonds. While the mayor has not given any details as to how he thinks the conversion can be achieved, he has stated that he has given consideration to the establishment of a Municipal Savings Bank.

Regarded As Election Bait

Conversion of Montreal's debt is generally regarded as a remote possibility and the mayor's proposal is regarded as election bait. It is pointed out that a similar proposal was made during the past two elections, and no action taken.

Furthermore, the mayor's proposal is entirely unofficial. According to Alderman Ovide Taillefer, chairman of the executive committee, "the executive committee has not considered any plan for conversion of the city's debt and does not propose to do so." Also, Lactance Roberge, director of finance, was not consulted by the mayor.

Before the mayor could secure conversion of the city's debt, even if his proposal was passed by the city council, he would have to secure consent of the Quebec legislature. It is not likely that such consent would be forthcoming as the Duplessis Government has taken a firm stand against forced conversion and at its last session rejected a similar proposal for the City of Quebec.

A Secretary talks about her Boss

"I'm a good secretary to him and he knows it. But I do wish he weren't so old-fashioned. He's not an old-fogey, really. As a matter of fact, he's real nice looking. But I know what those wrinkles creeping around his eyes are from. *He* thinks it's hard work. I know it's because he does some things two or three times when he could get them done at once.

"Take the correspondence, for instance. He reads the letters when they come in—puts them to one side to answer later—all in a bunch. If he had an Ediphone at his elbow, he'd just pick up the receiver and answer right away—no different than using his telephone.

"Of course, I'm not complaining . . . much, I mean. He *means* to get his dictation done before he leaves the office at noon. But he seldom does.

And there *I* am explaining to the boy-friend why I'm late again. And he doesn't get to his golf game after all—or he misses seeing that important customer he *surely* meant to see that afternoon.

"Really, I think he's awfully foolish. He's letting detail ride him too hard. He and I could both get lots more done if he'd adopt Ediphone Voice Writing. He'd have a better job. And so would I."

✓ ✓ ✓

An Ediphone permits you to handle instructions, memos, inquiries, letters, reminder-dates, the minute you *think* about them . . . increases your personal business capacity 20% to 50%. For every activity where "your voice points the way," use an Ediphone. Investigate! For details telephone or write THE EDIPHONE, your nearest city.

TORONTO: 9 Adelaide Street East
Telephone, EL. 4114

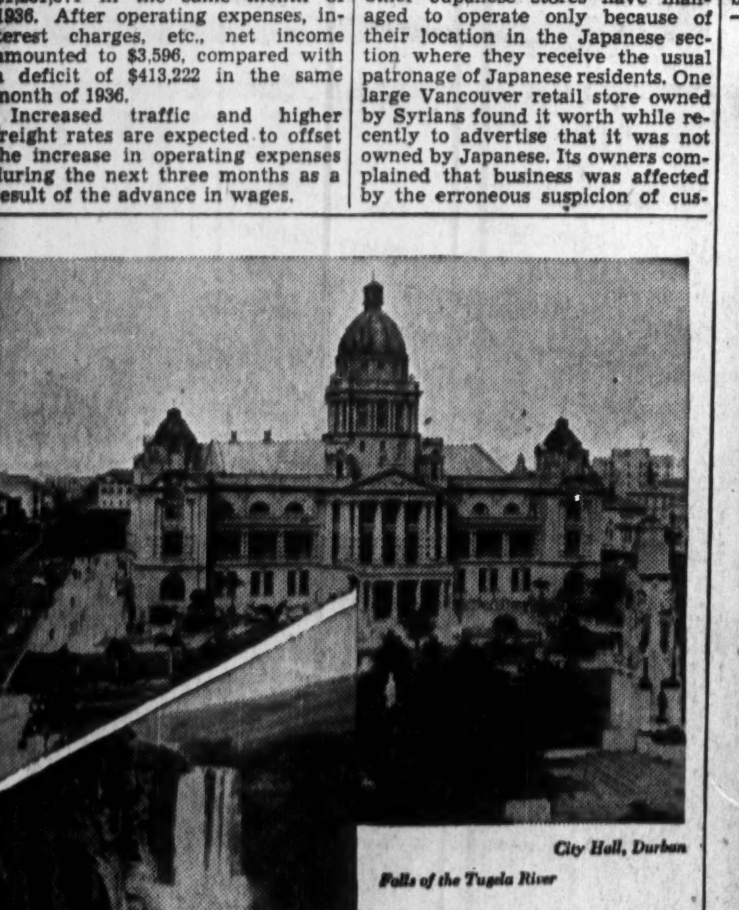
MONTREAL: 420 Lagauchetiere W.
Telephone, LA. 0992

SAY IT TO THE

Ediphone

EDISON VOICEWRITER

PREFERENCE FOR EDIPHONE PERSISTS



City Hall, Durban

Falls of the Tugela River

BEYOND the south horizon—beyond the warm equator—burgeoning spring, herald of golden summer, beckons to you from a land which holds for northern hearts a spell of rare enchantment. Now South Africa spreads out its store of charm and beauty. Here climate, ancient mystery and modern ease combine to make a truly different holiday, a glad escape far from the frozen north.

The traveller in South Africa, his way made smooth in modern comfort, treads intriguing paths, perhaps among vast spectacles of mountain majesty as in the Drakensberg, or in the Valley of a Thousand Hills, or leaving such scenes of natural wonder as the Cango Limestone Caves, the sheer poised beauty of Victoria Falls, he visits cities that invite return — Capetown, that nestles at the foot of Table Mountain, Durban, whose shining skirts are dipped in sparkling surf, the diamond mines of Kimberley, spacious Johannesburg, citadel of gold. He carries home impressions of another world, of natives dancing and the beat of drums, of sunlit days and cool and restful nights, and over all the voice of hospitality.

Each year Canadians in greater numbers take this never-to-be-forgotten journey. Your travel agency will be glad to show you how pleasantly and economically it can be accomplished.

IT'S SPRING IN SOUTH AFRICA

Zulu Warrior

THRILLS OF THE PRIMITIVE IN CIVILIZED COMFORT

1938 DODGE BEAUTIFUL! LAST WORD IN COMFORT

Says W. W. COLE, 4013 Dundas St., W., TORONTO

"30,000 MILES A YEAR. 24 MILES TO GALLON ALSO EASY ON OIL."

G. W. MORRISON, 23 Elora Rd., Guelph, says:

G. W. MORRISON

"I like my Dodge 1937 coach. You can't beat it for comfort, economy and value. I get over the roads to the tune of about 30,000 miles a year, and get about 24 miles to the gallon with Dodge. It is also easy on oil."

Dodge owners everywhere are learning that they saved money when they switched to a Dodge car. Investigate the new 1938 Dodge cars for yourself—now!

1938 Dodge Custom Six 4-Door Touring Sedan—Styled for a TOP-HAT affair

Smart, beautiful new interiors lend an air of luxury to the new Dodge cars that makes them look "right" in any kind of company. You'll like the comfort and roominess, too. See for yourself, today!

Tune in on the Major Bowes Original Amateur Hour, Columbia Network, every Thursday, 9 to 10 p.m., E.S.T.

NEW 1938 DODGE CARS SAVE YOU MONEY AND PROVIDE GREATER SAFETY . . . . .

W. W. COLE

Mr. Cole says: "I have driven 27 different cars in my day—the last five of them Dodge . . . My 1936 Dodge was a marvel for economy on gas and oil and gave me a feeling of safety at all times . . . Now my 1938 Dodge surpasses even the other great Dodges . . . the whole appearance of the car lends quality to the owner everywhere he drives . . . I am impressed with its even greater comfort . . . added response in steering and parking."

And here's what Mr. Eber Wright, who operates a taxi service in London, Ontario, says: "I was under the impression that Dodge cars had reached the peak of perfection but now, after purchasing three 1938 models, I find new improvements that make driving for a living an actual pleasure. The new Dodge is a lot easier to steer . . . sway on curves and corners completely eliminated . . . floats easily over bumps and rough country roads . . ."

Owners like these, from coast to coast, are amazed to learn that it was possible to introduce 47 improvements and refinements in Dodge cars. They have found, however, that Dodge engineering research never ends and that the new 1938 Dodge cars are easier riding, quieter . . . Relaxed Driving Control simplifies every handling operation—clutch action is easier . . . brakes operate easier . . . starter pedal action is easier . . . gear shifting is easier . . . Exquisite new decorative notes in trim, finish, upholstering and appointments . . . 22% more space in trunks. New roomier Front (Driving) Compartment . . . Ease of entrance and exit . . . All controls more accessible than ever before . . . 1938 "Silenced Airglide Ride" . . . A sensational combination of restful riding features.

Phone your Dodge-DeSoto dealer today. Without obligation to you, he will be glad to bring a new Dodge to your home so that you and your family may see and drive it . . . Learn how you, too, can switch to a Dodge and save money—and remember, **the Dodge Six is priced right down among the lowest priced cars!**

● EASY TERMS gladly arranged to fit your budget through the Commercial Credit Corporation of Canada Limited.

Switch TO A 1938 DODGE and SAVE MONEY

Your Investments

What We Do:

1. Give information on Canadian securities to Financial Post subscribers.
2. Publish anonymously letters of general interest.
3. Supply facts rather than opinions.

What We Don't Do:

1. Answer enquiries of non-subscribers.
2. Answer enquiries on foreign securities.
3. Reply by telephone or telegraph.
4. Select lists of securities; express opinions; or make forecasts.

Three-cent stamp and address label from subscriber's copy of The Financial Post must be enclosed. Address letters to The Financial Post, 481 University Ave., Toronto 2.

Western Savings & Loan

Please give me a report on the security and management of the Western Savings & Loan Association of Winnipeg.

Western Savings & Loan Association is a responsible organization whose operations are subject to the supervision of the Manitoba Public Utility Board. Powers are limited by act of the Manitoba Legislature. The Association sells long term savings certificates, which are of value to the investor who maintains his payment. If payments are discontinued, however, there is a loss in the early years of contract because cash surrender value may be less than the actual amount deposited. Balance sheet at the end of 1936 showed adequate securities for the cash surrender claim of certificate holders. Total assets were $1,139,682 at Dec. 31, 1936, of which Government bonds were $629,898. Other assets are largely mortgage loans, cash and loans on certificates. At the end of 1936, there was a surplus of $252,095 in favor of certificate holders. The company's investments are restricted to bonds issued or guaranteed by the Dominion or Provincial Government or municipalities and first mortgages. The Association can also invest in the securities of any loan company whose investments are restricted to those permitted to the Association itself.

National Light

Can you give me a report on the position and prospects for National Light & Power Co. bonds?

National Light and Power Co. supplies the city of Moose Jaw under a 20-year franchise. It also sells power wholesale to Montreal Engineering Co. and Saskatchewan Power Commission. Recently it got a new contract, estimated to produce revenue of $30,000 to $50,000 annually, from Natural Sodium Products Ltd. The company has covered its bond interest, through the depression, by a comfortable margin. This year, earnings have run slightly below the level of 1936, due largely to higher wage scales, and reduction of power rates. There has been some increase in power usage. While the company's record has been satisfactory, at times the bonds do not have a very active market.

Consolidated Paper

Would you be so kind as to give me a report on the bonds and common stock of Consolidated Paper Corp.?

Sales and earnings of Consolidated Paper have shown steady increase during the past three years and, as in the case of other newsprint companies, the outlook for this enterprise appears favorable. Operations are still below effective capacity, but the tonnage manufactured and sold has advanced. Bond interest payments over the next three years have been liquidated through issue of common stock. Bond interest for the two years commencing July 2, 1939, may be paid in stock, at the rate of 5½% per annum. For this purpose, stock is to be valued at $11 per share, allowing payment of five shares per $1,000 bond for each year. This will give the company an opportunity to pay off its bank loans and build up working capital. There is no prospect of a dividend on common until the bonds are again on a cash-paying basis. The value of the common depends upon progress in strengthening the financial position of the company and liquidating its bank loans and partly on hopes of earnings three years hence.

Moose Jaw Debentures

What is the present situation with regard to principal and interest payments on Moose Jaw debentures? What steps have been taken to protect debenture holders?

Reduction of Moose Jaw debenture interest payments by 40% was authorized by the Saskatchewan local government board in June, 1937. This was protested by more than 40% of the debenture holders. City council then passed a resolution on June 22 providing that the city for one year would pay only 60% of interest due, in full discharge of interest obligations, with a minimum rate of 3%. At the same time council stated its willingness to discuss the question of debt adjustment. Another resolution was passed late in October, whereby city council refuses to pay either principal or interest installments on debentures maturing after Dec. 31, 1937, unless holders present a refinancing proposal. Council also decided to ask the Saskatchewan local government board to relieve the city of the responsibility of levying for these payments.

Although the City of Moose Jaw has been willing to make a payment of 60% of debenture interest due, it is believed that institutional holders have been almost unanimous in refusing to accept this payment. A representative of Moose Jaw debenture holders has recently returned to Toronto after making an extensive investigation of the city's position, but his reports have not yet been published.

Montreal Light

I bought Montreal Light, Heat and Power common stock at $32 a share before the recent market break. Do you think that this stock will advance during the next two years and what are the possibilities of an increase in dividend?

Montreal Light, Heat and Power common is a stable type of stock rather than one in which one can expect wide swings in the market price.

We doubt whether you can expect an increase in dividends. It has been paying the present rate for a number of years. Earnings of the company are fairly stable and no marked increase is expected. In the current year there has been a further expansion in sale of electrical energy and a slight decline in the sale of gas. It is expected that profits will be approximately the same as last year when the company earned $1.75 a share on its common.

London Realty

Can you give me a report as to the earnings and prospects for London Realty Co.?

London Realty Co. earned its bond interest 1.29 times, after depreciation and other charges, in 1936, as compared with 1.01 times in 1935. Only occasion on which it has not been able to pay full interest on its bonds was in Nov., 1933, when 50% of interest due was paid. The unpaid balance was settled on Nov. 1, 1935 and later coupons have been paid in full. Sinking fund was in arrears $55,221 at Dec. 31, 1936. The company operates a modern hotel in London, Ont., the main portion of which was completed in 1927 with an addition in 1930. The records of the past few years have shown that hotels rank among "single purpose" buildings, the record of which has been rather unimpressive.

Hamilton Bridge Pfd.

It seems to me that construction stocks should do better over a period, and I am wondering what may be expected from Hamilton Bridge preferred.

Hamilton Bridge Co. is enjoying a greatly improved year, and in view of this the investment may become more satisfactory. Sooner or later, some plan of dealing with dividend arrears would seem likely. There is a prospect, depending upon the company's liquid position, of resumption of regular dividends on the shares.

Ont. Tobacco Plantations

Can you give me an idea of the market on Ontario Tobacco Plantations preferred stock and a report on the company's earnings?

There is no active market for preferred stock of Ontario Tobacco Plantations, and we understand that the shares might not sell, at present, for more than about $25 each. Last year, the company bought quite a few shares for redemption at prices ranging between $40 and $55, but this market no longer prevails. The latest report, for the year ended March 31, 1937, showed earnings of 21 cents a share on the preferred, compared with $1.45 in the preceding year, and $4.10 a share in the year ending in 1935. Last year's purchases of preferred resulted in an excess of current liabilities over current assets. Dividends have not been paid in the past year, and at Aug. 31, 1937, arrears amounted to $46.25 a share. The company owns 17 farms in Norfolk and Elgin counties, totalling over 1,750 acres, under cultivation in tobacco. The farms are located in three different areas to lessen risks of damage from early frost, hail and similar hazards of tobacco growing. To a large extent, the company's earnings depend upon weather conditions.

Can. Gen. Investments

I would appreciate a word or two about the present position of Canadian General Investments. Is continuation of dividends at the present rate reasonably assured?

Canadian General Investments has suffered a decline in total value of its portfolio, during the recent stock market slump. However, the company has improved its earnings this year, due to rising dividend payments and seems able under normal business conditions to continue the present dividend rate. The shares are selling considerably below the net asset value of the securities owned.

Tip Top Tailors

I am thinking of buying preferred shares of Tip Top Tailors, Ltd., and would appreciate a report on this stock as a conservative investment.

Tip Top Tailors, Ltd., has been able to pay regular $7 a share dividends on its preferred stock in each year since issue with the exception of 1933. The payment which should have been made on April 1, 1933, was deferred, but the company resumed regular payments on July 1 of the same year. On Jan. 1, 1935, the 1933 arrears were paid. Earnings in the past three years have covered preferred dividend requirements by a fair margin, net profits for 1936 being equivalent to $13.14 a share on preferred and in 1935, $9.99 a share. The company is now paying dividends on a regular annual basis of 60 cents a share on common. A strong working capital has been maintained in spite of dividend payments which have closely approximated total earnings each of the last two years. Operations for the first six months of 1937 have been satisfactory.

Investors Syndicate

Would you consider Investors Syndicate savings certificates a reasonable investment, taking into consideration that it will take 15 years to complete the contract?

Investors Syndicate has been in operation for many years, and has followed policies of investing funds largely in high-grade Government bonds and first mortgages. The total assets exceed $100 millions, and the company has net investments of over $130 per $100 of surrender liabilities to certificate-holders. To obtain the maximum benefit from this type of savings certificate, it is necessary to maintain payments for the full term. In the early years, as in a life insurance contract, the expense of selling and administering are largely deducted. In the latter years of the contract, however, the accruals of interest begin to raise the cash value substantially.

Federal Grain

Please be good enough to give us your views on the Federal Grain Co. Are the prospects for this company improved?

Federal Grain's operating and financial experience in the last two or three years has not been particularly satisfactory. There has been a steady decline in net earnings available for depreciation and bond interest since 1934. Last year net income totalled $275,929, as against $665,741 the previous year. After reducing depreciation reserve by nearly 75%, the balance was $88,362 short of meeting bond interest charges. Working capital position of the company is satisfactory, but prospects for earnings next year do not look very encouraging in view of the short crop. Present indications are that the company will not be able to earn its bond interest after depreciation during the 1938 fiscal year.

B. A. Oil

Your comments on the outlook for British American Oil would be appreciated.

British American Oil Co. last year showed earnings of $1.41 a share, of which 46 cents a share was received from U. S. subsidiaries, and 95 cents from Canadian operations. The American subsidiaries earned about 90 cents a share after allowing for income tax. The company derives its earnings from refining and distributing operations in Canada, and oil production in the United States. Keen competition and rising taxes have tended to reduce Canadian earnings, although this year is understood to have shown improvement. But earnings from oil production have improved, because there have been two substantial increases in prices in the past year. The company is, therefore, earning its dividend of $1 a share by a substantial margin. While excess earnings in the United States could be used to retire bonds, of which there were $7.3 millions outstanding at June 30, there is also the possibility of extra dividends.

Abitibi 6% Pfd.

What are the prospects for the 6% preferred stock of Abitibi Power and Paper?

Abitibi Power and Paper Co. 6% preferred is in a doubtful position contingent on completion of the reorganization plan. Recently approved by a meeting of bondholders, it faces the prospect of considerable litigation in the courts. If the plan passes, holders of the 6% preferred would receive in exchange for each share three and a half shares of new common stock and warrants entitling them to purchase another four shares within 12 months at $17.50 a share. Under the plan, the 6% preferred would receive, initially, over 75%, of the new common and if all option warrants were exercised, this stock would control over 70% of the maximum common share issue which could result. The fact that the 6% preferred has dropped very severely in price, appears to place a price of around $7 to $8 a share on the proposed new stock, without allowance for any value there may be in the subscription warrants. The future depends largely upon the reorganization, but also on the future of the newsprint industry.

Consolidated Paper

I hold some common stock in Consolidated Paper Corp. and would appreciate your comments on this company.

Consolidated Paper Corp., like other newsprint enterprises, has improved its position in the last two or three years. Current operations are at a relatively high rate of capacity, while earnings are on a better basis than they have been for some time. Not long ago the company was able to make an arrangement with the bondholders whereby cash payment of interest over the next three years was liquidated through issuance of common stock. This will give the company an opportunity to pay off its bank loans and generally build up its working capital position. It must be remembered that under the terms of the agreement made with the bondholders, the company is not in a position to pay any dividends on the common until after the expiration of the three-year period.

Foundation Co.

Please let us have a report on Foundation Co. Are there any prospects of a dividend being paid on the common?

Foundation Co. has handled a good volume of business during the past year and the financial statement for the year ended April 30, 1938, is expected to show an improvement. In 1937 operating profit was equivalent to 58 cents a share on capital stock. Company has a good volume of business on its books and its working capital is ample to take care of all needs. There is a general expectation that before long dividends will be resumed on the capital stock. There has been no intimation of this anticipated action by the management, the belief being predicated upon the financial statement and the reports for better business.

Fraser Cos.

I would like a report on Fraser Cos. Are their earnings holding up this year?

Fraser Companies has recorded expansion in operations and earnings since 1932 and bond interest is being earned by a comfortable margin. The report for the third quarter of this year shows a decline in earnings from that reported in the previous three months, but indications are that the statement for the full year will make good reading for the bondholders and shareholders.

Canada Steamships

Can you tell me how Canada Steamship Lines' earnings are likely to shape up this year?

Canada Steamship Lines' financial statement for this year is expected to show both the depreciation and bond interest charges earned. On Aug. 15 last the consolidated mortgage debenture stock was redeemed, so that the 5% first mortgage bonds, series A, now represents the senior security after the Kingston Elevator bonds, which are guaranteed unconditionally as to principal and interest by Canada Steamship Lines.

Robert Mitchell

We would like to have any information available on the Robert Mitchell Co.

Business of Robert Mitchell Co. for the first six months of 1937 is reported to be ahead of the corresponding period of 1936. At the time this report was issued, last July, it was said that the outlook for the balance of the year was encouraging. As a result of a plan put forward last November, deficit was written off against capital stock. Income account in 1936 showed operating profits at $64,325, the first to be reported since 1931. There was a small deficit after providing for depreciation reserve and other charges. There is no prospect of a dividend in the immediate future.

JOINS MONTREAL CURB

Louis P. Beaubien has been elected a member of the Montreal Curb Market. He is a partner in the new firm of Flood & Co. and has been a member of the Montreal Stock Exchange since 1926.

—*Photo by Rice.*

"Wheat Pool" Bonds

I have noticed that Saskatchewan 4½% bonds, due Oct. 1, 1951, are quoted at higher prices, on a yield basis, than other bonds of the province. Can you give me an explanation of this?

The Saskatchewan 4½% bonds, due Oct. 1, 1951, are often termed "Wheat Pool" Bonds. The history of this issue and similar issues among the oustanding debt of the other prairie provinces of Manitoba and Alberta goes back to the days of the Wheat Pools in 1930 and 1931.

The Pools, which handled a large portion of the western wheat crop made interim payments on the growers which were expected to be somewhat less than the final amount to be realized from the crop when it was sold to exporters. The balance was to be paid when final results were known. Unfortunately the first 1929 payment, made when wheat was delivered to the elevators by the farmers, was greater than the price at which the wheat was actually sold. The Wheat Pools continued their policy of holding their wheat off the market through 1930 and when the 1931 crop was coming on the market the banks refused to advance any more money unless the provinces guaranteed the loans. This the three Prairie Provinces did and, as is well known, had to make good their guarantees.

Bonds bearing 4½% interest and maturing on Oct 1, 1951, were issued by each province to the banks. Later these bonds have found their way into the hands of other investors and the latest tabulation shows Manitoba with $3.4 millions outstanding, Saskatchewan with $13.8 millions and Alberta with $5.6 millions, a total of $22.8 millions.

As a return for the assumption of this liability by the provinces, the Wheat Pools have agreed to repay the amount in equal annual installments so as to retire the bonds by 1951. These payments by the wheat pools are in the nature of a sinking fund on the issues concerned, but there is one important difference from the ordinary conception of a sinking fund. The annual payments go into the general funds of the provinces as there was no provision made for any segregation.

A factor contributing to the higher prices quoted is a provision that the pools may tender bonds in satisfaction of their annual principal payments which will be accepted at par value. So long as the bonds of the provinces are quoted below par, as at present, this provision provides a kind of artificial market on these issues. An example of how this works is seen in current quotations for Saskatchewan 4½% bonds, due 1951, which are around 73, while the 5½% bonds, due 1952, are only quoted around 71.

For all practical purposes, however, these bonds should rank with other funded debt of the provinces.

Dominion of Canada
3¼% Bonds
Due November 15, 1951.
(Callable on and after November 15, 1948.)

Price: 99.00 and accrued interest to yield about 3.34% to maturity.

From the standpoint of security of principal, attractive yield and ready marketability, there is no type of security available in this country that can compare with Dominion of Canada bonds.

We recommend these new bonds for investment.

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CANADA PERMANENT
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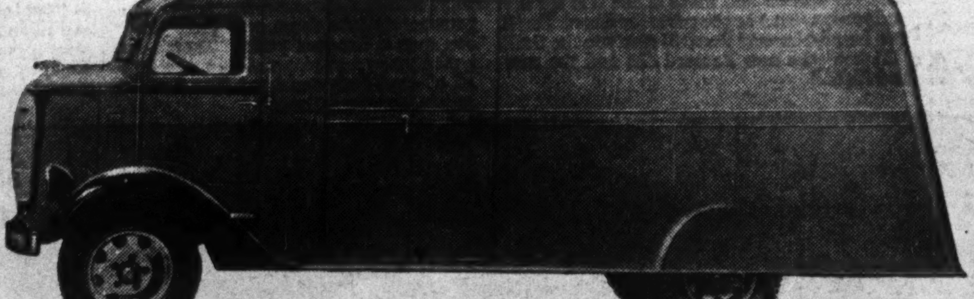

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Accessibility

Reo Cab-Over-Engine trucks are designed and originally built as such — special front axles — special steering — engine accessibility — much improved driver visibility, are among the many interesting features of this new Reo Truck.

Unusually attractive appearance, driver comfort and economy of operation, are important points with every truck operator.

Reo Cab-Over-Engine Models, as well as Reo conventional trucks in all capacities from the half-ton to the six-ton, are on display at the

MOTOR SHOW

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TELEPHONE TALKS IN THE WATSON FAMILY

"Yes, Mary . . . and Tom's fine, too."

Old Mrs. Watson lives with her son Tom. Yet her only daughter Mary, miles away, is with her too, for Mary, though old-fashioned in many ways, is definitely telephone minded and never fails to call her Mother on Long Distance at least once a week—an inexpensive and supreme pleasure for both of them. As Tom Watson puts it, "though our family's scattered, we're never really far apart—with the telephone."

Are You acquainted with the comfort, convenience and low cost of Long Distance?

Low Night Rates, on all but short-haul calls, begin every evening at seven, and apply ALL DAY SUNDAY!

Construction

Report for October Shows Bigger Building Volume

Substantial advances in engineering, industrial and public hospital construction put the volume of initiated construction in October nearly 35% ahead of October, 1936, and pegged the figure for the first 10 months of this year at a level 39% above that for the same period of last year.

Total value of contracts awarded in Canada last month is set by MacLean Building Reports at $20.1 millions, compared with $14.9 millions in October, 1930, and $21.7 millions in September of this year. October's usual seasonal decline in relation to September amounts to 7%, comparing favorably with the 10% decline registered at the same point a year ago. Cumulative total of contract awards up to the end of October amounts to $198.5 millions, compared with $142.6 millions up to the same date last year.

Residential Total Down

During last month there were comparatively slight decreases of about $200,000 in residential contract awards, chiefly in regard to apartment building; and in public building awards, of about $400,000. The net increase of $5.2 millions in the grand total was produced after offsetting these decreases against increases of $2.4 millions in hospital construction, arising mainly out of the mental hospital programme in Ontario; of $1 million in industrial construction, and of $2.4 millions in engineering project awards. The engineering total was swollen chiefly by award of the contract for the new mill and power plant at Lake Athabasca, Alta., for Consolidated Mining & Smelting Co.

Volume of contemplated or proposed work reported in October is set at $27.6 millions, and for the year to date at $356.7 millions, the latter figure representing an increase of 54% over the same period last year. The totals of contemplated building in September, 1937, and October, 1936, were $24.7 and $20.4 millions respectively.

The index number of building material prices was 94 in September, compared with 96 from June to August inclusive and the peak of 98 in April and May.

Construction Contract Awards in Canada

	October, 1937		September, 1937		October, 1936	
	No.	Amt. in $	No.	Amt. in $	No.	Amt. in $
Apartments	22	336,400	25	232,400	22	490,000
Residences	1,733	4,529,800	1,644	4,570,000	1,561	4,586,900
Total residential	**1,755**	**4,866,200**	**1,669**	**4,802,400**	**1,583**	**5,076,900**
Churches	28	314,400	17	99,600	33	216,400
Public garages	92	468,100	70	495,400	105	439,600
Hospitals	16	2,550,500	11	342,600	8	101,400
Hotels, clubs	32	136,500	23	175,000	34	150,100
Office buildings	48	283,000	45	339,700	32	125,600
Public buildings	57	864,100	50	815,100	56	1,271,800
Schools	28	676,700	41	308,500	22	337,500
Stores	174	494,700	151	171,300	211	627,400
Theatres	11	115,000	12	186,700	13	320,800
Warehouses	68	495,800	46	596,900	76	709,700
Total business	**554**	**6,398,800**	**466**	**4,030,800**	**590**	**4,300,300**
Total industrial	**104**	**2,204,800**	**93**	**7,453,300**	**100**	**1,239,600**
Bridges	13	171,200	19	369,800	16	173,500
Dams, wharves	13	121,400	17	915,000	22	647,700
Sewers, watermains	20	374,800	14	467,800	37	288,700
Roads, streets	56	1,062,500	63	1,228,600	63	1,484,000
Gen engineering	54	4,970,200	35	2,447,300	62	1,746,500
Total engineering	**156**	**6,700,100**	**148**	**5,428,500**	**200**	**4,340,400**
GRAND TOTAL	**2,569**	**20,169,900**	**2,376**	**21,715,000**	**2,473**	**14,957,200**

Total Awards First Ten Months

	No.	Amt. in $		No.	Amt. in $
1937	23,413	198,576,800	1935	16,764	147,649,300
1936	18,342	142,628,800	1934	14,403	109,297,800

Seek Solution For Rail Deficits

Quebec Chamber of Commerce Says No Progress Has Been Made

From Our Own Correspondent

MONTREAL.—The Federation des Chambres de Commerce de la Province de Quebec at its annual convention here passed a resolution calling upon the Dominion Government to adopt effective measures to eliminate the deficits of the Canadian National Railways.

The resolution follows:

"Whereas a royal commission on railways and transportation in Canada, comprising men of international reputation and outstanding merit, submitted a report on Sept. 13, 1932, designed to remedy the situation, admitted by all to be of potent concern to Canada's welfare;

"Whereas said report was prepared after this commission had conducted a searching survey from coast to coast, and after it had heard all interested parties and public bodies who had representations to make;

"Whereas five years have passed since then, and no subsequent progress has been achieved toward a solution of this problem which weighs so heavily through taxation on the people of Canada, on its commerce and industry;

"Whereas it is the urgent duty of the Government of Canada to find proper and effective remedies in the circumstances, either along the lines suggested by the Royal Commission or in some other way;

"Be it resolved, that representations be made to the Government of Canada urging the pressing necessity of adopting effective measures to secure the most economical operation of Canada's railway systems, in order not only to eliminate the deficits of the Canadian National Railways, thereby reducing the drain on the federal treasury, but also to improve the financial position of the privately-owned railway whose good credit means so much to Canada as a whole."

Court Approves Income Tax Levy

Decision Affects Absentee Firms Operating in Saskatchewan

Decision of the King's Bench Court of Saskatchewan that Procter and Gamble Soap Co. is liable to Saskatchewan income tax assessment although it maintains no office or warehouse in that province may mean additional revenue for the Saskatchewan Government and will affect all firms merchandising their products in that province in a similar manner.

Evidence submitted to the court showed that annual sales of the company in Saskatchewan amount to about $300,000 although the company has no head office in Saskatchewan and has no warehouse there. However, it maintains two salesmen in the province who solicit orders.

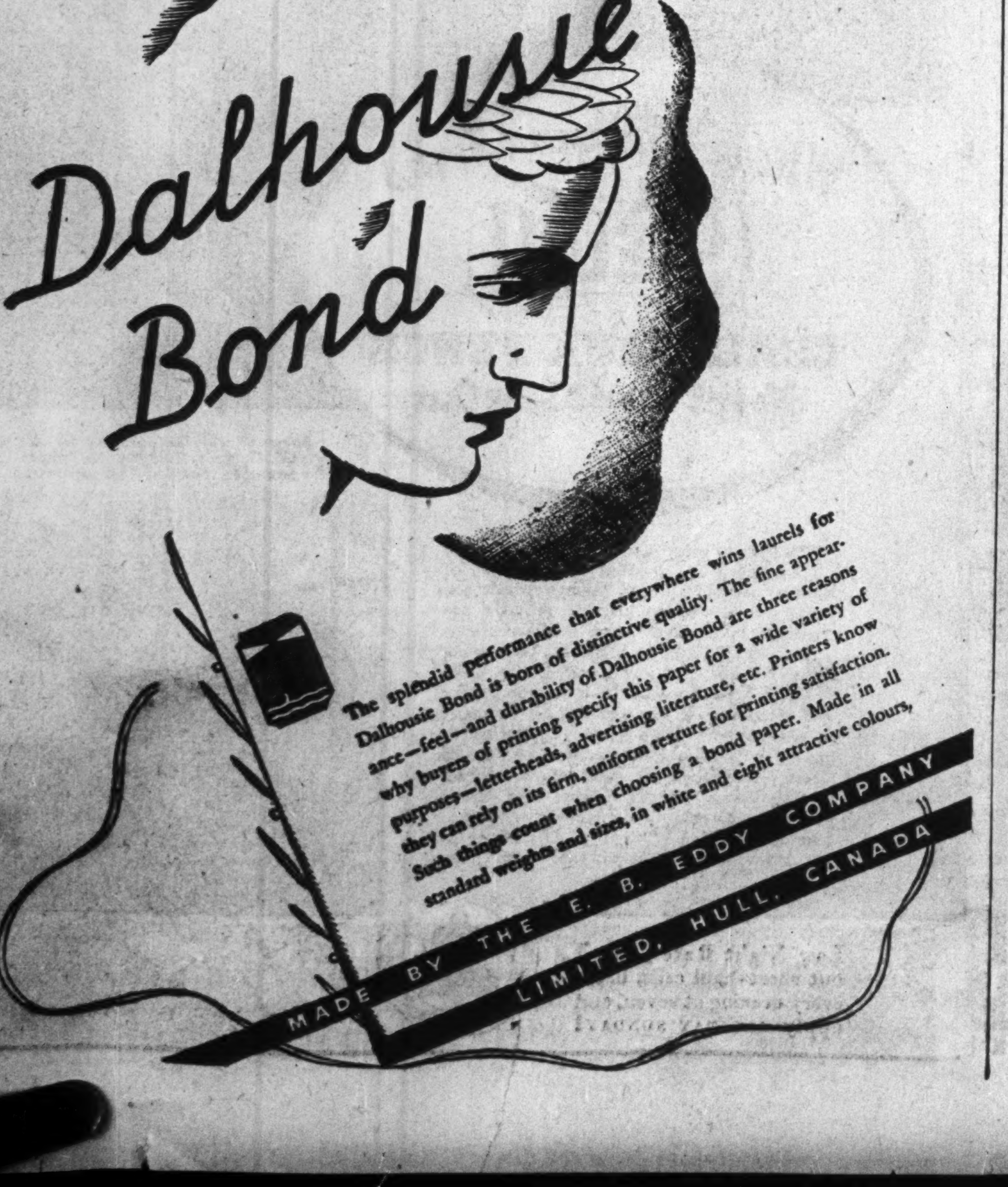
Company Assessed $2,569

The Saskatchewan income tax department assessed the company $2,569 income tax for the years 1932-34 inclusive and the company appealed the assessment, contending that it was beyond the power of the provincial government to levy such a tax.

The judgment states that "the province largely maintains the governmental and social institutions which enable the company to do business in Saskatchewan. Other firms in competition with the appellant's business have to pay toward upkeep of these social and governmental institutions and it ill becomes any corporation to contend that they should not pay the same share of tax."

Saskatchewan Silver

Silver production in Saskatchewan in the first half of the year amounted to 359,614 fine ounces, valued at $161,826, as compared with 418,562 ounces mined in the similar period of last year, valued at $189,529, according to a Federal report.



Dalhousie Bond

The splendid performance that everywhere wins laurels for Dalhousie Bond is born of distinctive quality. The fine appearance—feel—and durability of Dalhousie Bond are three reasons why buyers of printing specify this paper for a wide variety of purposes—letterheads, advertising literature, etc. Printers know they can rely on its firm, uniform texture for printing satisfaction. Such things count when choosing a bond paper. Made in all standard weights and sizes, in white and eight attractive colours,

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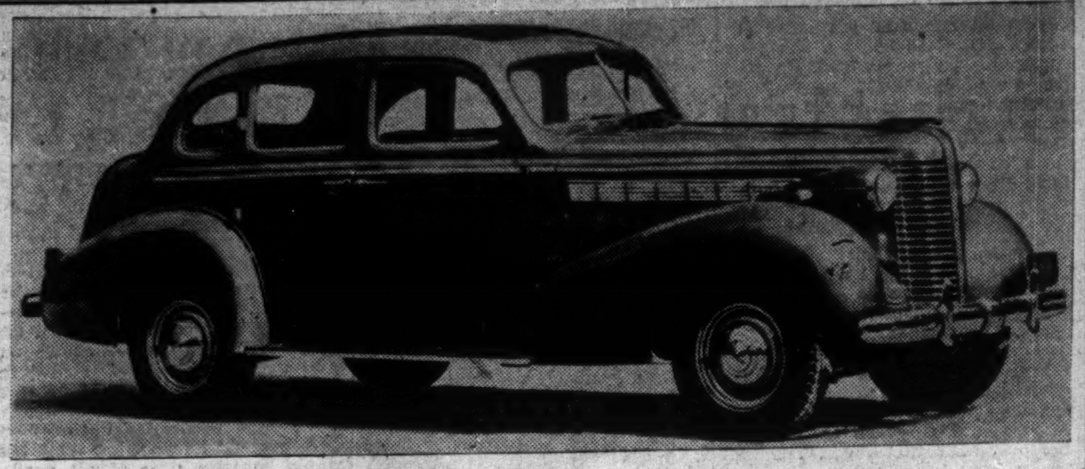


McLAUGHLIN-BUICK GETS NEW SPRINGS

All four lines of 1938 McLaughlin-Buicks have been equipped with rear coil springs replacing the multi-leaf type. The change is claimed to greatly improve riding comfort in the back seat and makes driving safer over rough or slippery roads. Engines this year have been further improved with a view toward saving on oil consumption. Battery is mounted under the hood. All steel bodies in new lines and color combinations have been further insulated against vibration, engine and road noises.

Alberta to Cut Relief Expense

Rural Municipalities Must Assume Responsibility for Relief

In an effort to cut relief costs, the Province of Alberta has notified rural municipalities that it intends to reduce relief grants "drastically" and "hereafter it will contribute only to applications for assistance where a complete report definitely indicates justification." It is not the intention of the province to withdraw all unemployment relief and agricultural assistance at this time.

While the feeling is growing throughout the Dominion that relief is not a municipal responsibility, it appears that Alberta intends to place it in that category. The letter states that municipalities "must be prepared to assume full responsibility for their indigents, including those who are unemployed."

In drawing attention to the improvement in crops and prices, the letter says: "We feel that the time has arrived when the individual must depend upon his own efforts to provide for himself and his family. That can only be done if the individual residing in a rural municipality would make a sustained effort and realize that the responsibility of looking after him no longer rests upon his taxpaying neighbor."

Municipalities Ask Specified Powers

Saskatchewan Cities Seek Sole Right to Tax Land

The city council of Regina has approved the recommendations of the committee of the Saskatchewan Urban Municipalities Association appointed to prepare a brief for submission to the Rowell Commission.

Recommendations of the committee are:

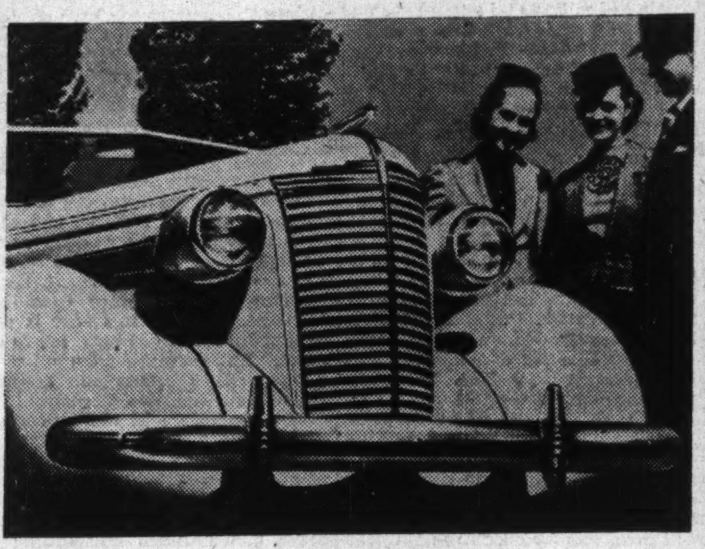
(1) Any urban municipalities which have been created and which may hereafter be created by provincial governments be guaranteed under the British North America Act certain inherent rights and given certain specific limits of operation.

(2) The sole right to tax land, improvements and the occupancy of land within the boundaries of an urban municipality as defined above should belong to such urban municipality.

(3) The revenue derived from such taxation shall be reserved to the urban municipality concerned for the sole purpose of rendering services relating to land and improvements to land within the municipality.

In western Canada the provincial governments levy certain taxes upon land for specific purposes and these are collected by the municipalities.

The committee contends that the cost of social services and of education should not be a charge upon land.



NASH STRESSES ECONOMY

Special cruising gear on the 1938 Nash cuts in automatically at about 40 miles per hour, allowing the engine to loaf at high speeds and materially reducing gas consumption. An abbreviated gear shift has been mounted on the instrument panel, completely clearing front compartment floor space. Models now being introduced are also optionally equipped with an air-conditioning unit for winter driving.

Holding Company Feature Of F. Barry Hayes Estate

Equity in Ross Securities Ltd., presumably a private holding company, makes up the bulk of the estate of the late F. Barry Hayes, who died in June of this year, and for probate of whose will application is now being made by the executors.

Assets with a total valuation of $337,008 are listed in the will, the principal items consisting of 1,845 shares of Ross Securities valued at $144,242, and a debt of $100,869 due from the same company. Next in importance are 661 preferred shares and 492 common shares of The Toronto Carpet Manufacturing Co., of which Mr. Hayes was president and managing director. The preferred shares are valued at $38,007, and the common at $26,076.

Other investments include 30 shares of Toronto General Trusts Corporation, valued at $3,082, and 62½ common shares of Dominion Woollens & Worsteds, valued at $59.

The list is completed by cash, $3,114; real estate, $5,619; and miscellaneous assets, $15,933. In addition, insurance to the amount of $17,318 has already been distributed to beneficiaries and is not included in the $337,008 estate. After payment of certain legacies, the estate is to be divided equally among all the children. The shares of the sons are to be distributed over a period of 20 years, and the shares of the daughters are to be held in trust during their respective lives.

McColl Profits Turn Upward

74 Cents Earned in Last Eight Months—Loans Are Reduced

From Our Own Correspondent

MONTREAL.—For the first eight months of the current fiscal year, net earnings of McColl-Frontenac Oil Co. amounted to 74 cents a share, as compared with 45 cents a share for the fiscal year ended Jan. 31, 1937, according to information set out in a letter to shareholders by John Irwin, president, in connection with the issuance of rights to shareholders.

The letter reads as follows, in part:

"After providing for bond interest, depreciation and income tax to the end of Sept., 1937, and for dividends on the preferred stock for the entire fiscal year ending Jan. 31, 1938, your company has, to the end of Sept., 1937, earned 74 cents per share on 660,000 shares outstanding at the present time. Earnings for the entire fiscal year terminating Jan. 31, 1937, were equivalent to 45 cents per share on 660,000 shares of common stock.

Cover Peak Period

"It is to be noted that the above earnings period includes May, June, July, August and September, which with October, comprise the peak period of the business of the company: for the remaining four months of the fiscal year—October, November, December and January—earnings are largely dependent on weather conditions.

"The expansion in your company's business in Canada, and on the Island of Trinidad through the operation of your company's wholly owned subsidiary, Antilles Petroleum Co. (Trinidad) Ltd., has necessarily called for additional expenditures, the funds for which have been provided by an increased bank loan. Your directors consider it advisable to reduce your company's bank loan and the proceeds from the present issue will be used for that purpose."

Heavy Freight Movements For Manitoba Mine Areas

From Our Own Correspondent

WINNIPEG.—Approximately 3,500 tons of freight will be moved from railhead at Ilford, mile 286 on the Hudson Bay line, into God's Lake, Trout Lake and Sachigo River, during the coming winter. This is considerably more than last year. Movement will probably start in January.

Altogether it is expected there will be 1,000 tons of equipment and supplies for Sachigo, a 250 mile haul. Sachigo River Exploration Co., it is understood, will take in all the necessary machinery and equipment for the erection of a 25-ton mill on the rich property staked by Dave Foster.

God's Lake will take about 1,600 tons of freight. Another 250 tons of supplies will go into Hudson Bay posts and the balance will be general freight in the district. Some new equipment including two new Diesel Linns are being added to the present battery of nine Linns and two 60 caterpillar tractors.

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DOMINION Battleship LINOLEUM

CUSTOM-BUILT to your own specifications

Available in 21 colours and effects, to be laid plain, with border or in any special design to express the character of your organization, Dominion Battleship Linoleum solves your flooring problem. It is permanent, easily cleaned, and never needs costly refinishing. Any flooring contractor, or large departmental store, will gladly give you an estimate together with particulars of our 5-year guarantee.

DOMINION OILCLOTH & LINOLEUM CO. LIMITED MONTREAL

HOW MUCH OF YOUR OVERHEAD IS UNDERFOOT?

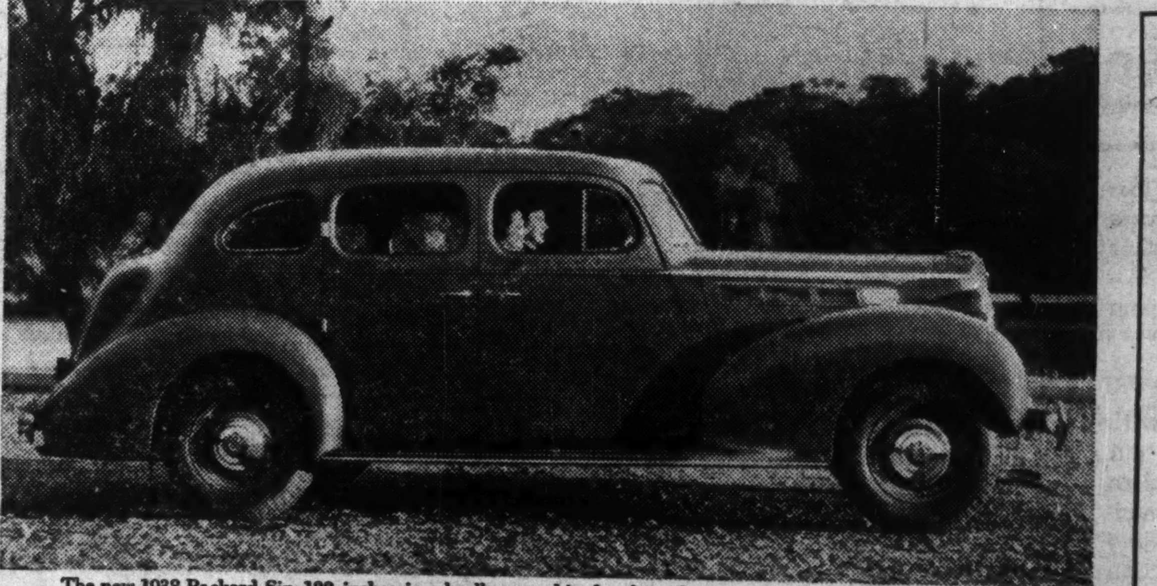
"What's new and exciting at the Auto Show?"
"I'll answer you in one word—PACKARD!"

1. "Take my advice and make a bee line for the Packard space as soon as you get to the Show! You'll find two brand-new cars that will give you the thrill of a lifetime—the new Packard Six and the new Packard Eight."

2. "Packard's crammed more real improvements into those cars than you'll see over a five-year period! There's an entirely new rear suspension, a new type of all-steel body insulated like a radio studio, new body lines."

3. "But look sharp, or you'll mistake the new Six and Eight for the big expensive Packards. They've stepped up the wheelbase of both the Six and Eight by seven inches! Are they the big, streamlined beauties!"

4. "Sure, I ordered one. Why, the monthly payments run only a few dollars more than on the smaller car I intended buying. And I plan to keep the Packard at least a year longer, so I'll be money ahead in the end."



The new 1938 Packard Six, 122 inches in wheelbase—a big, handsomely-trimmed car that is typical of Packard's astonishing dollar-values for 1938

Here's the 1938 Packard news in a nut-shell

1. Both Packard Six and Packard Eight seven full inches longer in wheelbase . . . much wider bodies . . . bigger trunks.

2. New type all-steel body that is really quiet—result of long research with a great University.

3. Entirely new type of rear suspension—Packard's exclusively. Makes possible gentlest and safest ride ever built into a motor car.

4. A Chassis that needs lubrication only twice a year—and then at never more than 16 points.

5. New, more beautiful treatment of the famous Packard lines, the lines that keep your car in style, not for just a season, but for years.

By all means, see these new Packards. Even more important—don't miss driving one!

1938 PACKARD SIX & EIGHT*

*also known as the Packard 120

ASK THE MAN WHO OWNS ONE

PACKARD-ONTARIO MOTOR COMPANY, LIMITED

— Distributors —

1029 Bay Street . . . Toronto

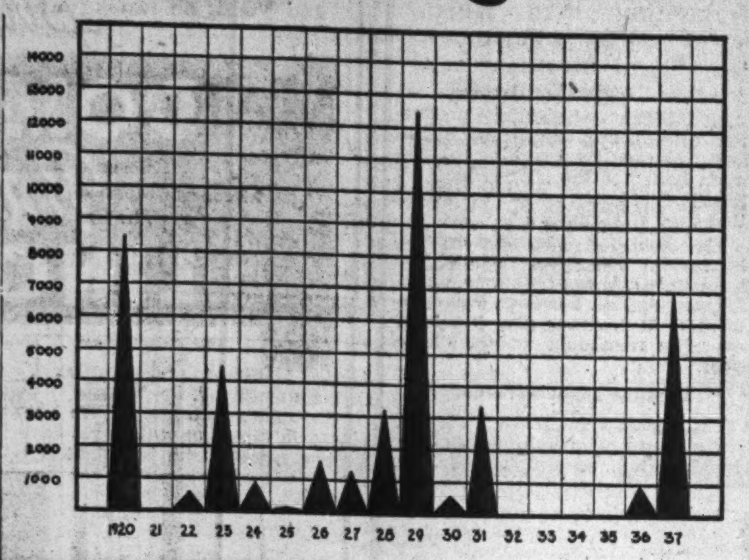
Construction

Planned Purchasing for Industry

Planned purchasing from a long term point of view may be at least a partial solution to the great problem of industrial peaks and depressions, W. D. Black, president of Otis Fensom Elevator Co. suggests in the following article written for The Financial Post. Mr. Black, who is also vice-president of the Canadian Manufacturers' Association and a director of the Bank of Canada, is an authority not only on the construction industry but on interrelating activities. For the purpose of this article he has taken only one of these, the manufacture of rolling stock for Canada.

By W. D. BLACK

Vice-president and General Manager Otis Fensom Elevator Co.



SHORT-SIGHTED BUYING

The above chart compiled by W. D. Black, author of the accompanying article, shows the approximate number of freight cars ordered by Canadian railways in the years 1920 to 1937 inclusive. Taking this record of railway purchasing as an illustration Mr. Black contends that regulation of business to stabilize purchasing would go a long way to levelling off peaks and depressions in industry.

W. D. BLACK

Arguments pro and con the control or regulation of business and industry continue to hold a prominent place in current journalism. One notices, however, a shading off,' a moderation of tone, in both camps Voices are less strident and claims less fabulous The Montagues and the Capulets begin to see at least the possibility of a little good in each other's houses. This may arise from a natural process of cooling off, or it may result from a decrease in economic pressure brought about by improved business conditions.

The compromising attitude referred to takes the form of an admission that a degree of industrial and business regulation is necessary, but with the contention that the required regulation should be both formulated and executed by the businesses or industries concerned, and not by any administrative or legislative authority. On the face of it this conception of economic stabilization bears the stamp of common sense, democratic liberalism and practicability in the great majority of cases.

Theory to Practice

To reduce it from the realms of theory to the field of practical execution is, perhaps, the most pressing, certainly the most significant, economic problem confronting us today. Two things are required at the very outset.

1. To create in the minds of those directing business and industry an awareness of the situation.
2. To stimulate the interest and solicit the support of public opinion.

Both these objectives call for particular rather than generalized arguments. It is a case where one concrete instance is worth a thousand hypothetical arguments.

The writer has, for years, been interested and, on occasions, deeply involved in the question of stabilizing the construction industry, renowned for its extreme inconsistency. The difficulties in regulation of the construction industry are both obscure and elusive. This is because it is not only very incoherent and decentralized in nature but it is not, in effect, its own boss. It does not act on its own initiative, but rather responds involuntarily to outside influences over which it has no control.

Recent circumstances have brought to public notice another heavy industry which, upon examination, displays those same characteristics of recurring boom and depression which are the abiding curse of modern times. Compared with the irrational gyrations of the railway car building industry, the inconsistencies of construction are but feeble flights from the normal.

There are in existence in Canada today approximately 250,000 railway freight cars of all descriptions. At the rate of car production (about 12 per day) which prevailed from 1920 to 1931, over 80 years would be required to create this total. At the rate of production for the past 16 years (approximately nine per day), 110 years would be required.

The production capacity of the three major Canadian car building companies is in the neighborhood of 120 cars per day. This rate of production would replace all the existing freight cars in Canada in something less than eight years. In other words, we have created the facilities to perform in eight years, work which might apparently extend over a century or more.

Two main inferences may fairly be made from these anomalous figures. A considerable portion of the quarter million cars now in existence must be obsolete and uneconomical to operate or maintain. At the replacement rate of 12 per day mentioned above, the life of a car would be 82.5 years which is patently absurd. It is inconceivable that technical advancement or amortization should fail to justify scrapping long before that time.

The Life of a Car

What then, is a reasonable operating life for a car? Or in another form, what is a reasonable replacement rate for railway freight cars in Canada? It appears that 30 years is somewhat arbitrarily estimated to be a reasonable expectation by those who design the cars. On this basis the necessary replacement rate would be 33 cars per day. If we compromise between the present **indicated** life of 82.5 years and the **estimated** life of 30 years, assuming 50 years as the maximum car life, we can calculate that the **minimum** necessary rate of replacement would be approximately 20 cars per day. Even at this conservative estimate, actual production of cars for the past 16 years (nine per day), has been less than 50% of requirements. The indicated back log amounts to the enormous figure of approximately 50,000 cars, in comparison with which the current orders for some 7,000 cars appear insignificant.

If it is contended that the estimated replacement rate of 20 cars per day is excessive, what is to be said of our actual productive capacity of 120 cars per day?

Overexpansion of Industry

This brings us to the second obvious aspect of the question, i.e., the tremendous disparity between the average daily output of the car builders and their capacity to produce. An actual production of nine cars per day against a potential capacity of 120 loudly demands explanation. Since car building companies like most other organizations are founded for the purpose of making profits by economic operation, we may assume that their unenviable overexpansion was not embarked upon without some very compelling pressure of circumstance.

A brief study of the accompanying chart, showing the number of railway cars ordered in Canada each year from 1920 to 1937 supplies the answer in no uncertain terms. In 1920 orders were placed for 8,400 cars. In 1921, no orders were placed In 1925, 29 cars were ordered. (This must have been an intensely competitive year in car building industry.) In 1929, orders were placed for 12,554 cars. In 1932-33-34-35, no orders were placed. During this year, 1937, 7,000 cars will probably be ordered.

Even those well acquainted with the vagaries of another fickle jade, the building industry, must find these figures startling. Averaged over the year, the 1929 orders for 12,554 cars represent a daily output of approximately 50 cars per day. But since the demands were far in excess of any previous orders and time is required for plant organization, the actual productive period for that year was probably nearer six months, representing an output of some 100 cars per day. This clearly indicates that the present overblown condition of the car building companies has been caused by the manner of placing orders and the delivery demands of the railway companies.

Cost of Rush Orders

The inflating effect of this short-sighted policy is strikingly illustrated in the case of the National Steel Car Co. which, as a result of large orders placed for rush delivery in 1928, was obliged to spend $3,500,000 for plant enlargement Had delivery of these orders been extended over two years instead of one, no addition to productive capacity would have been necessary Within three years after this expansion, the National Steel Car Co. was virtually closed down for some three or four years due to complete absence of orders.

The consequences of such irregular operation are self-evident. There is, first, the immediate loss of employment and intense aggravation of the relief problem. This was especially severe in the case of Hamilton where roughly 1,600 men were employed on freight car construction in 1929. It can be readily appreciated that the relief problem created by the cessation of car building alone was of critical proportions in a city of Hamilton's population.

Furthermore, it is conventionally accepted that unemployment in any of the heavy industries creates approximately equal unemployment among producers and suppliers of the materials involved. Hence, the virtual closing of the Hamilton plant of the National Steel Car resulted in loss of employment of 1,600 men scattered throughout the Dominion in lumber camps, machine shops, foundries, etc.

Boomerang For Railways

The railways, themselves, must have suffered severely from the drying up of orders for rolling stock. The 1929 orders for some 12,500 cars required the movement of approximately one million tons of freight, a volume which must have represented a considerable degree of railway employment and, by its abrupt termination, a corresponding degree of unemployment.

There is, again, the huge cost of overexpansion of plant and equipment. This, in the final analysis, must be borne by the public at large, which under present conditions is powerless to protect itself from the consequences of mismanagement and lack of vision in quarters where it is entitled to expect leadership and conservation.

A visit to the headquarters of the major car building companies or of their suppliers at the present time. will forcibly bring home another evil aspect of the case. The picture is one of frantic haste and even confusion, aggravated by the necessity of calling in inexperienced or long-absent help. Waste and inefficiency are inevitable, even with the most energetic and competent executive direction.

There can be no two opinions as to the desirability of the present orders for rolling stock, but the hasty demands for tenders and production indicate that the railway authorities are still without any appreciation of, or consideration for the deplorable state of affairs. The fact that these orders are "rushed" after years of stagnation and were placed immediately after substantial increases in the price of many of the materials involved, are characteristic.

A Simple Solution

It is a surprising feature of this question that the solution, on the face of it, does not appear to be difficult or obscure. The railway problem differs vitally from that of the construction industry in that the controlling authority is not diffused and inarticulate. It centres almost entirely in the two major railway companies, and in the final resort, in the Dominion Government. No more is required than the consideration of rolling stock purchases as a matter to be planned over a term of years, based upon an established and easily determinable rate of obsolescence. One might go so far as to say that an arbitrary rate of obsolescence might well be established in view of our heavy commitment in car building equipment. As to the term of years to be used as a basis for consideration, this would depend upon many factors best known to railway men. But even so comparatively short a period as five to ten years would be preferable to the policy of the past which appears to have been predicated upon no wider conception than the promptings or circumstances of the moment.

Averaging Up

The benefits of sane and considered purchasing would be in direct proportion to the disadvantages of the haphazard ordering of the past. The railways, themselves, would benefit by equalization of business. The assumed constant rate of 20 cars per day would involve railway transportation of 250,000 tons of freight per annum. The car building companies would be enabled to establish their facilities on a scale really commensurate with the business available. They would have opportunity and incentive to devote their overcapacity to other lines of business. Many other advantages could be cited, most of them of timely social significance, e.g., employment, labor organization, apprenticeship in the skilled trades, municipal finance, precedent for others, etc.

Other Industries

There are probably many other industries in Canada, particularly among those producing "durable" or "capital" goods, in similar plight It is questionable if all or most of them are as susceptible to correction as the railway car building industry. But the most encouraging feature of stabilization is the fact that it is cumulative in effect. The regularizing of any one industry reflects favorably on all those related to, or dependent upon it in any degree, rendering their problem of stabilization in turn less acute and more amenable to solution. But the start must be made somewhere, and the coherent and permanent nature and organization of our railway systems makes them ideal candidates for the honor of leading the way in Canada.

New Building

General Abrasive Co., Niagara Falls N.Y., is proceeding with construction of $125,000 power house project at Arvida, Que.

Rosemount Realty Corp., Montreal, has obtained permit to add two stories to Marine Building, St. Catherine St. west at Peel St., at cost of $30,000.

Carling-Kuntz Breweries Ltd., subsidiary of Brewing Corp., is preparing for extension of its Waterloo, Ont., plant at cost of $126,000.

Steel Co. of Canada is preparing to launch construction of an addition to its Notre Dame street mill in Montreal.

F. W. Woolworth Co. has awarded contract for erection of a new $30,000 store building at Hamilton, Ont., and work is expected to start about the middle of November.

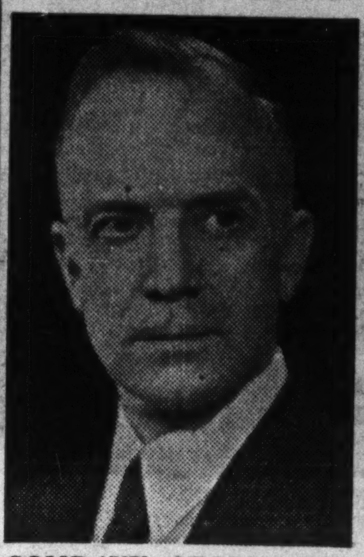
Canadian Car & Foundry Co., Montreal, work started on alteration of section of steel mill to provide facilities for assembly of airplane engines.

Ford Motor Co. of Canada is preparing to initiate work on the projected $300,000 addition to machine shop facilities at its East Windsor plant. Equipment in the new shop will cost $1.4 million, the unit being part of the $5 millions expansion programme of the company.

Continental Can Co., St. Laurent Que is adding a $75,000 warehouse to its new manufacturing plant, recently erected at a cost of $200,000.

Franklin Herschorn theatre interests have obtained permit for erection of $100,000 theatre building at Yarmouth, N.S.

Ford Motor Co. of Canada plans to launch construction in November of a new Maritimes headquarters building at Saint John, at an estimated cost of $225,000.



COMPANY GEOLOGIST

The Union Gas Co. of Canada announces appointment of C. S. Evans, Ph.D., as geologist with their natural gas division. Dr. Evans has resigned from the department of mines and resources, Ottawa, in order to take up his new position. He is a graduate in geology of the University of British Columbia, and carried out his post-graduate studies in geology at Princeton University.

Tax Relief Urged By U.S. Realtors

Association Asks Removal of Barriers to Private Construction

Stimulation of the construction industry through housing programmes, stabilization of taxes and sound valuation of realty, was a dominant topic of discussion at the convention in Pittsburgh of the National Association of Real Estate Boards.

A keynote in regard to housing was struck by Paul E. Stark, of Madison, Wis., president, when he said:

"The association believes that the greatest contribution which can be made to housing is the removal of the barriers in the way of individuals in acquiring or constructing their own homes."

Barriers to Construction

Mr. Stark declared these barriers were chiefly the disproportionate burden of taxation borne by real estate, high interest rates and unduly short periods of amortization involved in building financing. He estimated that 800,000 homes should have been built in the United States in 1936 to meet requirements fully, but that only 250,000 were actually built.

Construction World

U. S. Building

Volume of building in the United States continues to maintain a level substantially ahead of last year though the percentage of gain so far this year in comparison with the same period last year is markedly less than the gains recorded in 1935 and 1936. The Dun & Bradstreet survey of 215 American cities records an advance of 16.5% in construction for the first three quarters of this year, compared with gains for like periods in 1935 and 1936 of 56.4% and 78% respectively. Building permit total in the 215 cities to the end of September was $815.6 millions. In September, permit totals showed decreases of only 1% and 2.2% in comparison with figures for Aug., 1937, and Sept., 1936. Ordinarily, a seasonal decline of 10% in September would have been in accordance with past experience.

* * *

Home-of-the-Month

Realtors and home builders have adapted to their own purposes the "Book of the Month" plan operated in various forms for some years past to promote sales of better class books. In conjunction with a nationally circulated magazine in the United States, the National Association of Real Estate Boards is sponsoring a "Home of the Month" scheme to stimulate interest in and sales of better homes.

The design selected for October under the plan utilizes the same floor plan for any one of three different types of architecture, described as traditional, transitional and modern. In all designs, however, modern requirements are recognized. The front porch and front-of-house living rooms are replaced by service rooms, and living rooms face the garden end of the plot.

Urban Loans Under H.I.P. 75% of Total

Official Analysis Covers Town and City Borrowing

Home Improvement Plan loans to borrowers in towns and cities accounted for nearly 75% of the volume of loans in both rural and urban areas of the Dominion up to the end of September, according to an analysis of the urban results of the H.I.P. issued by Hon. Charles Dunning, minister of finance. Of the approximately $10 millions in loans made in all areas up to Sept. 30 last, more than $7.4 millions were granted in towns and cities with a population of 5,000 or more.

The total for all Canada up to Oct. 15 was $10.4 millions and slightly under $11 millions when the H.I.P. rounded out its first year on Nov. 1.

Principal cities (population 40.000 or over) contributed more than 50% of the urban total to Sept. 30, and 40% of the gross total. Detailed figures follow:

Urban H. I. P. Loans in Principal Cities

	No. of Loans	Amounts
Charlottetown	126	$ 43,085
Halifax	298	113,614
Saint John	317	138,559
Quebec	194	117,075
Montreal	1,374	691,868
Hamilton	470	131,722
London	418	140,918
Ottawa	458	228,567
Toronto	2,639	940,924
Windsor	399	146,331
Winnipeg	1,035	391,176
Regina	138	49,753
Calgary	430	178,366
Edmonton	558	305,684
Vancouver	1,169	344,068
Victoria	188	68,807

Urban H. I. P. Loans by Provinces

Ontario		
Brantford	105	32,571
Fort William	88	39,556
Guelph	105	46,203
Kingston	90	34,238
Kitchener	165	70,423
Oshawa	297	71,979
Peterborough	175	51,885
St. Catharines	161	59,677
Niagara Falls	126	47,321
North Bay	112	36,385
Port Arthur	89	36,950
St. Thomas	143	65,587
Sarnia	159	48,642
Stratford	95	24,096
Sudbury	212	127,006
Timmins	279	205,683
Fort Frances	90	29,740
Kenora	46	17,037
Kirkland Lake	258	192,895
Lindsay	50	17,814
New Toronto	98	45,009
Orillia	30	5,125
Pembroke	30	6,590
Simcoe	77	48,663
Smiths Falls	23	8,425
Quebec		
Verdun	83	29,990
Sherbrooke	108	47,248
Three Rivers	59	29,505
Westmount	59	41,193
St. Jean	90	47,301
Shawinigan Falls	66	33,435
Drummondville	48	18,253
La Tuque	48	18,920
Magog	76	28,325
St. Lambert	56	28,190
Victoriaville	63	23,011
British Columbia		
New Westminster	236	85,244
Nanaimo	34	13,118
Nelson	94	46,724
North Vancouver	45	10,125
Trail	189	67,405
Alberta		
Lethbridge	51	26,955
Medicine Hat	30	11,197
Manitoba		
Brandon	57	16,527
St. Boniface	57	36,160
Flin Flon	153	78,353
Transcona	49	13,494
Saskatchewan		
Saskatoon	95	30,157
Moose Jaw	101	43,311
Prince Albert	70	18,530
Nova Scotia		
Glace Bay	171	66,358
Sydney	212	79,191
Amherst	53	15,873
New Glasgow	72	20,945
New Waterford	279	103,437
North Sydney	62	16,267
Sydney Mines	91	18,776
Truro	74	25,943
New Brunswick		
Moncton	167	61,357
Fredericton	75	26,120
Campbellton	75	22,302
Edmundston	30	10,838

Interior of the charming conservatory at the home of Mr. and Mrs. Charles A. Birge, Oakville, Ontario.

An Investment in Health and Pleasure

There is this peculiarity about a "garden lounge"—not until you have one do you realize both its charm and its necessity.

"Our home was incomplete without it—although we didn't realize it," writes the owner of a Lord and Burnham conservatory. "We use it constantly during the winter and since we bought slat-shading, we find it charming even on the hottest summer days."

Bring your garden indoors this winter—grow flowers—relax in the sun without going to Florida or California. We can build it for you in time—if you act now. Write today for booklets and prices.

All conservatories are made in Canada at St. Catharines.

LORD & BURNHAM CO. LIMITED
TORONTO ST. CATHARINES, ONTARIO MONTREAL

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A Safe REMUNERATIVE INVESTMENT

Canada Permanent Debentures are a favorite security of many thousands of experienced investors. Issued for $100. and upwards, bearing the following attractive rates:

for 1 or 2 years - 3 %
for 3 or 4 years - 3¼%
for 5 years - - - 3½%

A legal investment for trust funds.

CANADA PERMANENT Mortgage Corporation
HEAD OFFICE: 320 BAY ST., TORONTO
ASSETS EXCEED $68,000,000

There's something about it you'll like
HERBERT TAREYTON
SMOKING MIXTURE
PACKAGES · 25¢
HALF LB. TINS · $1.50

"Fifty per cent. of the envelope is the gumming!"

Bull Dog GUMMING —The gum that made Globe Envelopes famous!

GLOBE ENVELOPES
Makers of Well Gummed Envelopes
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For Office Equipment that Satisfies
Desks, Chairs, Files, Safes, Lockers, Steel Shelving, Partitions, Lockers, Matched Suites, Filing Supplies.

THE OFFICE SPECIALTY MFG. CO. LIMITED
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Support Your Credit Manager
WITH ADEQUATE TOOLS

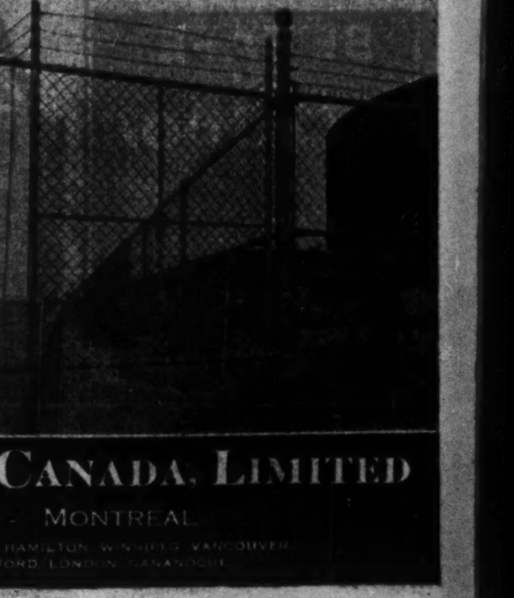
As no single factor in your business dissipates profits as rapidly as bad debts.

Dun & Bradstreet of Canada, Limited

Where Danger Lurks
STELCO
CHAIN LINK FENCE
Keeps Meddlers Out

Left: Hydro-Electric sub-station at Brantford, Ont.

Below: Hydro-Electric sub-station at Hamilton, Ont.



Below: Unusual installation for the Sun Oil Company, Toronto, Ont. affords protection from both land and water.

THERE are many places where danger — to themselves and to others — lies in wait for unwary trespassers. High voltage power stations, gasoline storage "farms", railways, airports and other danger zones need the protection of Stelco Chain Link Fence. This strong fence of woven steel wire is erected on a frame of Stelco Scale-Free Pipe. It requires no upkeep and offers unusual rust and weather resistance because the wire fabric contains *copper* and is extra heavily galvanized after weaving. Stelco Chain Link Fence is the ideal enclosure for industrial plants, schools, estates, race tracks, cemeteries, mines, institutions and wherever permanent protection is required. The advice of our fence engineers is free for the asking.

THE STEEL COMPANY OF CANADA, LIMITED
HAMILTON - EXECUTIVE OFFICES - MONTREAL
SALES OFFICES: HALIFAX, ST. JOHN, MONTREAL, TORONTO, HAMILTON, WINNIPEG, VANCOUVER
WORKS: HAMILTON, MONTREAL, TORONTO, BRANTFORD, LONDON, GANANOQUE

Business Asks National Stand On Tax Probe

Commerce Chamber Seeks to Unite Groups to Aid Commission

In order to ensure the success of of the Rowell Commission in its study of the Dominion-provincial financial problem, the Canadian Chamber of Commerce not only intends to submit a brief to that body, but is enlisting the support of businessmen from Halifax to Vancouver.

In a letter to associated boards and to heads of national trade associations, George C. McDonald, president, has outlined the cause of the present fiscal difficulties of Governments in Canada and has appealed to businessmen to approach the problem from a national point of view, pointing out that what is wanted is "a new business plan for governmental collecting and spending." It is fundamental, he says, that "the good luck of being a citizen of Canada should be shared equally, in so far as possible, by all the citizens of Canada."

Touring the West

As a further step in securing support for the commission, Mr. McDonald and W. McL. Clarke, secretary of the Canadian Chamber of Commerce, are at present in Western Canada, interviewing associated boards and other bodies with a view to securing approach to the problem from a national, rather than a sectional point of view.

Mr. McDonald's letter says in part: "It appears that our very prosperity is threatening to be our undoing. A disease has crept into our attitude toward the spending of public moneys, with the result that we are spending today what we hope to collect tomorrow. For years, as a result of this spending and failure to raise sufficient revenue, our debt burdens—municipal, provincial and federal—have been piling up, and the increase is altogether out of proportion to the increase in the resources of our citizens and in our capacity to support the burden. Daily our taxes increase, but even so this fact does not prevent our leaving an unfair burden to posterity.

"It seems to be an absolute disgrace that Canada, with her enormous capacity to produce wealth, should have got herself into this gigantic debt situation. But we are in it, and unless we are going to cheat the thrifty and industrious by further inflation we must expect to face further taxation. It is hard to take, but it won't get any better until we eradicate wasteful expenditure and educate public opinion to a proper appreciation of the whole situation.

Twofold Problem

"The problem of the Commission is twofold.

"1. To deal with financial problems of an immediate and pressing nature in some of the provinces.

"2. To evolve a new business plan for governmental collecting and spending that will appeal to the citizens of Canada as being fair and just to all.

"For many years it has been obvious that in the light of the changes that have come about in our economic system since Confederation the arrangements for the allocation between the federal and provincial realms of the powers and responsibilities of collecting and spending moneys have become inequitable, causing great dissatisfaction in many, if not all, parts of Canada. The increasing load of Canadian debt and taxation, the suspicion that all are not sharing equally and the feeling that some parts of the country are receiving advantages denied to or out of proportion to others all tend to injure the unity of spirit in Canada. I think that it is fundamental that the good luck of being a citizen of Canada should be shared equally, in so far as that is possible, by all the citizens of Canada.

Taxing Methods Have Changed

"At Confederation the main source of revenue allotted to the Federal Government was the customs and excise. It must be realized that what Canada produces year by year must provide the resources out of which the obligations of our various Governments are met. Since Confederation substantial new sources of revenue have appeared—such as, succession duties, sales taxes, and income taxes with all their ramifications. The question of how these and other new forms of taxation should be dealt with as between the different jurisdictions is of outstanding importance.

"I am, therefore, appealing for the interest and support of all the businessmen of Canada in the work of this Commission. I feel that the situation is extremely critical, but I believe that if the facts can be put clearly before the people a good common sense business solution can be found which will ensure a better outlook for those who enjoy the privilege of citizenship during the next 70 years.

"Those sittings of the Commission now afford an opportunity for the education of the public as to the gravity of the national situation and its inherent threat to Canadian unity and our financial integrity."

Robert Gair Co. Earns 75c a Share in 9 Months

Robert Gair Co., Inc., and subsidiaries, report net profit of $179,525 for the three months ended Sept. 30, 1937. This is equivalent to seven cents a share on the 574,613 common shares, after providing for dividends on the $3 preferred as compared with $355,789, or 37 cents a share in the preceding quarter.

For the nine months ended Sept. 30, 1937, net profit was $851,455, equivalent to 75 cents a share on the common.

These figures for net profits are shown after depreciation, interest, preferred dividends of subsidiary company, provision for interest on income notes, and federal income taxes, but before provision for surtax on undistributed profits. A profit of $33,397 on retirement of income notes is included but the company's shares of earnings of subsidiary companies less than 100% owned ($14,745 for the quarter and $85,479 for the nine months) is not taken into the account.

BACKED BY 30 YEARS EXPERIENCE

Hupmobile, now in its 30th year, brings out two Sixes and Eights, conservatively streamlined and with all upper hinges and other projections which might conflict with the top line fully concealed. Cars are wider and longer with bigger trunks and more windshield visibility. Alligator type hoods cover smoother and more economical engines. Overdrive transmission standard on Eights, optional on Sixes, adds further economy at cruising speeds.

Steel of Canada Activity Holding

Ross H. McMaster Says Backlog Will Keep Plants Busy

From Our Own Correspondent

MONTREAL.—Steel ingot production continues to engage full manufacturing capacity according to statement issued to the shareholders by Ross H. McMaster, president of Steel Company of Canada.

"The back-log of unfilled orders," he states, "has been sustained in some lines, although lower in others. It is anticipated, however, that operations will continue at a high rate over the remaining months of the year."

Improve Plant Efficiency

Considerable progress is also being made in plant improvement and rehabilitation, according to Mr. McMaster, leading to greater efficiency in manufacturing.

"The new soaking pits have been placed in operation with very satisfactory results," the president continues in his remarks to shareholders. "Work on the new blooming mill is well advanced and it is hoped installation will be complete early in March."

Weekly Market Digest

A résumé of important news on Industrial and Mining Stocks, Dividend Announcements, Current Price Dividend and Yields on leading active Canadian listed Stocks, will be sent on request.

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Montreal Curb Market
The Canadian Commodity Exchange Inc.

320 Bay Street — Toronto

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Styling as different as it is beautiful, for this bigger-looking, better-looking, low-priced Chevrolet.

●

PERFECTED HYDRAULIC BRAKES

Smooth—powerful—positive ... the safe brakes for modern travel ... giving maximum motoring protection.

●

GENUINE KNEE-ACTION

(WITH SHOCKPROOF STEERING)

So safe—so comfortable—so different ... "the world's finest ride". On Master De Luxe Models.

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ROOMIER ALL-SILENT ALL-STEEL BODIES

(WITH SAFETY GLASS ALL AROUND)

Larger interiors—lighter, brighter colors—and Unisteel construction, making each body a fortress of safety.

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VALVE-IN-HEAD ENGINE

Giving the most efficient combination of power, economy and dependability.

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Giving protection against drafts, smoke, windshield clouding and assuring each passenger individually controlled ventilation.

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A simple, efficient, single diaphragm spring replaces the conventional multiple-coil springs—for easier, tiptoe-pressure operation. Minimizes wear. Longer life.

CONVERTIBLE COUPE WITH RUMBLE SEAT
Most dashingly stylish of all lowest-priced cars. Smart weatherproof top. Roomy rumble seat for extra passengers. Interior luggage space back of front seat.

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Finest quality car in its field. Wider seats, with extra head-, leg-and elbow-room. Roomy trunk with enclosed sparetire carrier and covered tool box. Beautiful interiors.

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Smartly *de luxe* in every way. Covered spare tire on carrier back of spacious rumble seat. Wide front seat with divided back, for easy access to interior luggage compartment.

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Ideal for touring, with its large built-in trunk. Single full-width front seat cushion with divided back in Master De Luxe and Master Special.

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SEDAN, front view, illustrating the beautiful Modern Mode streamline styling of all the new Chevrolets.

CHEVROLET

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THE CAR THAT IS COMPLETE

It's great to drive a Chevrolet when you can have any of these distinctive body types . . when you can own a car of such outstanding beauty, comfort and safety . . when you can enjoy all of Chevrolet's modern, up-to-date advantages - at such low prices and with such extremely low operating costs.

See the 1938 Chevrolets at your Chevrolet dealer's, and at the National Motor Show Nov. 6th to 13th

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THE FINANCIAL POST

Largest Circulation of All Canadian Financial Papers

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The Motor Industry Presents—

Refinement of Detail Keynote as 1938 Models Go on Parade —Comfort, Economy, Safety Stressed

By GORDON L. SMITH

Business Editor, The Financial Post

REFINEMENT is the keynote of the new 1938 motor cars now being introduced collectively at the National Motor Show in Toronto, at Montreal, Nov. 20-27, and subsequent district shows throughout the Dominion this month.

Makers have concentrated on comfort, economy of operation, on safety, and the elimination of those former petty annoyances which prevented full enjoyment of the modern privilege of getting quickly from one place to another.

In doing this they have evolved a vehicle of unbroken flowing lines from fender to fender, welded together in one solid piece of steel that for simplicity of operation, luxury of riding and blending of colors is a distinct advance over its illustrious predecessors.

A year ago motor car makers began widening front seats to hold a third passenger but they neglected to make room for that passenger's feet. Even earlier than this safety glass became practically standard equipment but there was no provision against jarring bumps within the car itself.

Doors were made wider in the coaches but front seats barred either quick or graceful entry. Engines were powerful but gas bills were too high. Bodies were strong enough but susceptible to heat and cold. Frames were rigid and motors quiet. Speed, however, was almost invariably accompanied by vibration and hum.

During the last six months, makers, satisfied with the main principles of their products, have taken time out to check over the multitude of recent improvements with the object of getting the utmost in comfort, safety and convenience.

The motor show visitor will find more graceful lines, unbroken by caps, hinges or other attachments on the front of the car. There is beauty but there is utility too.

Running boards are still narrower. In fact on one of the new medium priced cars this year the manufacturer first experimented with a model minus running boards, but reinstated it as a guard against side-swipes and stones or dirt thrown by the wheels. On one of the high priced cars, of course, the running board was eliminated some time ago.

Tapering to Rear

In general, body lines more closely approach the contour of a falling drop of water with greatest width at the point of the front seat capable now of holding at least three passengers and tapering toward a smaller rear seat. Automobile engineers agree with most passengers that the front seat is the most comfortable and interesting place to ride, and they are making it possible for more to occupy this favored position.

Radiator grilles, in chromium, are wider and stronger, but recognizing the fact that even with the best of drivers minor collisions are apt to occur, many of these grilles are in sections so that a damaged portion may be replaced.

Most of the new models carry upright guards above the bumpers to prevent too intimate mingling or embarrassing entanglements with other cars.

Something has been done about headlights, too. Not only have they been made to blend more thoroughly with body or fender lines, but there has been improvement in their main function—illuminating a highway at night or in a fog.

Streamlining of hood and fenders has been carried further. Formerly the manufacturers were content to curve the main body lines and let it go at that. There remained deep channels between fender and body, hollows which were hard to clean and polish, and through which the wind whined at even moderate speeds. These have been eliminated and the trouble and noise with them.

National Motor Show

Dates: November 6 to 13 inclusive.

Place: Automotive Building, Exhibition Grounds, Toronto.

Hours: 10 a.m. to 11 p.m. daily except Sunday.

Opening: November 6 (Saturday), 10 a.m. Formal opening at 9 p.m. by Hon. Dr. H. A. Bruce, Lieutenant-Governor of Ontario.

Number of firms exhibiting: 52. This includes: 22 manufacturers of cars, trucks, tractors and trailers; oil companies; accessory manufacturers and distributors; safety organizations; insurance companies; Educational companies, including book publishers; garage and service station equipment firms.

Estimated value of exhibits, including about 250 vehicles: $1 million.

Power Plus Economy

Just as beauty is more than skin deep, so is this year's motor car refinement. Under the hood designers have also been busy. Of most importance, of course, is the engine. From this more power has been squeezed without increasing oil and gas consumption. Economy gains in fuel average from 5 to 8% per horsepower delivered at the wheels. In some cases this has been achieved by better gas mixture burning above the cylinder head. But these more powerful, more economical engines are more mannerly, more readily curbed or stepped-up, smoother, less noisy.

A generous proportion of rubber has been used in their mountings, cushioning shock and vibration. In keeping with longer, sleeker hoods, a new style of battery will be found in many of the new cars. This is a long and narrow unit, placed under the hood close to starter, generator, spark plugs and headlights so that line losses, that bugbear of electric power companies, have been materially reduced.

Harder and more lasting steel, due to the incorporation of nickel and other tough metals has been used in pistons and other engine-moving parts with the dual objective of giving better initial performance and cutting down maintenance costs. The day of slow-driving the first thousand miles or so has passed. Polished cylinder linings, and eight to 36 hours tuning up of engines beside the assembly line has relieved the new owner of that irksome task.

All-steel Tops

Overhead and underneath, in front of driver and behind, there is more strength. The all-steel top on an all-steel body provides that. Anyone who has built a chicken coop or nailed the cover on a packing box knows something about the amazing rigidity added by the last board nailed across the top. The all-steel cover on the modern motor car adds similar strength. When this has been welded to the rest of the body, the whole affair becomes one rigid piece of steel. With such construction it is no longer necessary to have the old, massive chassis, so massive in fact that no matter how cleverly the body was attached there was bound to be a prolific source of squeaks and rattles, and finally, after a few years, gradual disintegration. The all-steel top welded to an all-steel body has made obsolete that once common and truthful criticism that the engine was too powerful for the body.

All-steel tops are now standard equipment except, of course, on open and convertible "jobs." It is because these cars are open that their cost is higher. They cannot be tied together nearly as economically as the closed models and hence require extra weight and strength in chassis, extra care in building. Even if built in the same volume they would cost more to construct than the all-steel enclosed car today.

Insulating Bodies

However, all-steel bodies have been common enough for several years; the improvement this season lies in remedying defects in this type of construction. Steel is one of the very best conductors of heat, cold, noise and vibration. It is also liable to set up humming noises on the inside if used alone in the drum form. The car maker's first job, therefore, after he had developed his steel body, was to insulate it. This job has been done so thoroughly in the 1938 cars that there is actually less noise inside the car than out of it, even when travelling at high rates of speed. Hum has been abolished as well as practically all engine and road noise. With this insulation, too, the hot water heater or fan in the front seat keeps all passengers, and not just the driver, comfortable no matter what the temperature may be outside.

Following the body through to the back, one comes to a trunk compartment which will hold as much as, some women think, their husbands can crowd into a suitcase. As a matter of fact, it will hold a couple of suitcases or a steamer trunk and half a dozen handbags as well. Moreover, the makers have finally realized that owners in the lower-price brackets carry fully as much luggage as their wealthier neighbors and there is little difference in trunk size no matter what in the engine. In some of the coupes the trunk compartment is almost big enough for a double bed. Indeed, in one line such a bed in such a place is part of the equipment, but it utilizes the back seat and is found therefore in the four-door sedans.

Under the body the same objective of greater comfort and achievement has been pursued. Chief improvement has been in springing, with new coil springs for the rear wheels comparable, it is said, to independent front wheel suspension, in some lines and generally longer and smoother springs in all lines. Coupled with this are more powerful shock absorbers and, as with engine mountings, rubber cushions at practically all points of metal contact.

Insuring Against Bumps

At this point one steps inside. If it is coach, usually the front seat slides forward as well as tilts, allowing easy entry. The same seat, whether the car be coach, sedan or coupe, will shift forward and back easily with the press of a button and, in sliding, in some models, will also automatically adjust height to permit full road vision in all positions.

The back of the front seat in many of the 1938 cars has been specially upholstered to prevent any bruising if a sudden emergency stop is necessary. Formerly under such circumstances the occupants often came to grief against robe rail, the hard back top of the front seat or the projections on the board in front. Now, in addition to the special roll of upholstery mentioned, robe rails have been largely changed to rope cords.

In front, on instrument boards, projecting knobs have been sunk flush with the board and there has been similar treatment of door handles. All of this follows the natural safety development originated with the introduction of shatter-proof glass. The manufacturers realize that so long as little children and foolish dogs, not to mention jay walkers, are at large, so long are sudden stops liable to produce a quick shift of travelling passengers within a motor car.

Gearshift Changes

But the average show visitor will probably be more interested in the driver's compartment. On dozens of cars this year he is going to find a change in the gearshift. Located on the floor in the centre of the car this has long proved a source of embarrassment to a third occupant in the front seat. Now it is being eliminated, its place taken either by a finger tip control fastened to the steering column or in abbreviated form as a lever mounted on the dash. Both types follow the conventional "H" pattern of shifting so that there is nothing new to learn. This is optional equipment this year. In keeping with this general idea of clearance the emergency brake has also been removed from the floor and is attached under the dash on the left or right side of the driver.

Provision has been made for fully incorporating such now common accessories as heater, radio, defroster and clock. Though still supplied at extra cost, there is a regular place for these now on instrument board, and all blend with the rest of the panel.

Less obvious to the eye of the purchaser, of course, but well realized by the maker, has been the gradual stepping up in Canadian content of those cars now largely manufactured in this country. Formerly many of the parts which went into such cars were imported.

The 1938 Car

Body lines unbroken with one sweep of fender from headlights and windshield to tapering trunks; running boards narrower, radiators straighter or leaning forward.

Engines slightly more powerful and more economical with gas and oil, generous use of rubber mountings eliminates sound and vibration.

Batteries and generators more powerful to take care of additional electrical equipment; battery in some cars now mounted under hood and of long narrow type to suit the new slerder hoods.

Safety enhanced by shatterproof glass; protective upholstery on back of front seat, absence of projections on instrument board, robe cords instead of metal rail and usually flush door handles, locks, etc., prevent injury to passengers in sudden stops.

Easier driving achieved by smoother clutches, stronger but lighter touch brakes, handier gear shift and instrument board and improved headlights.

Gear shift in abbreviated form mounted on dash or steering column optional on most cars in medium price ranges; manipulated in orthodox H pattern of old shift.

Instrument board more compact and especially designed to incorporate optional equipment such as heater, clock, radio and defroster.

Adjustable front seats that move more readily and tilt to suit height of driver.

Easier riding as result of new longer springing in cheaper cars and more elaborate coil and other springs in the larger models.

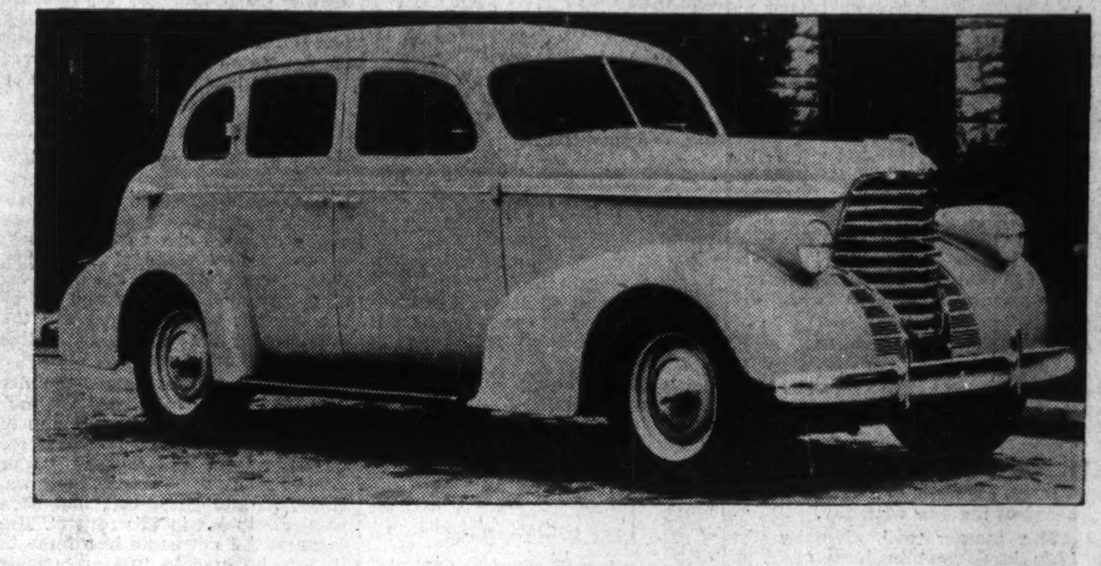
Roomier front seats due to greater width and removal of emergency brake and gear shift from floor to dash or steering column in many of the new models.

Larger trunks and more usable space in interior by shifting spare tire to one side.

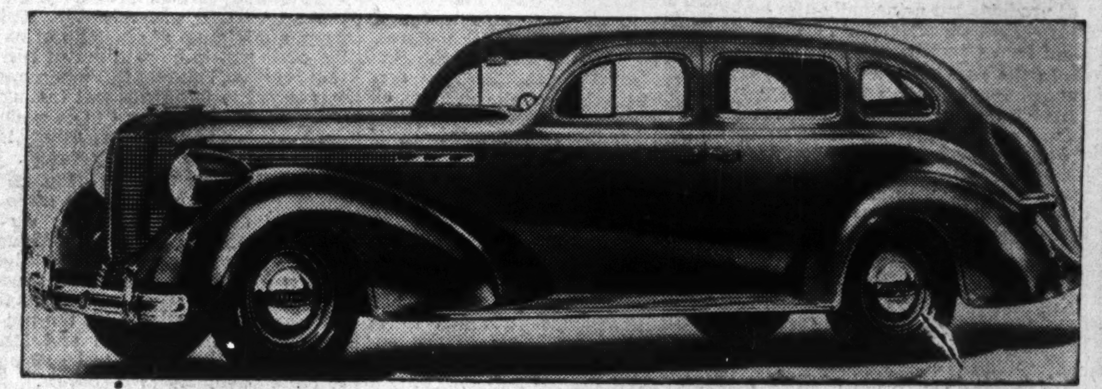
Windows front and rear larger and with narrower hoods this season permitting wider and nearer vision of the road ahead.

Canadian content generally higher in order that exportable surplus produced may enjoy favorable tariff treatment with Empire countries.

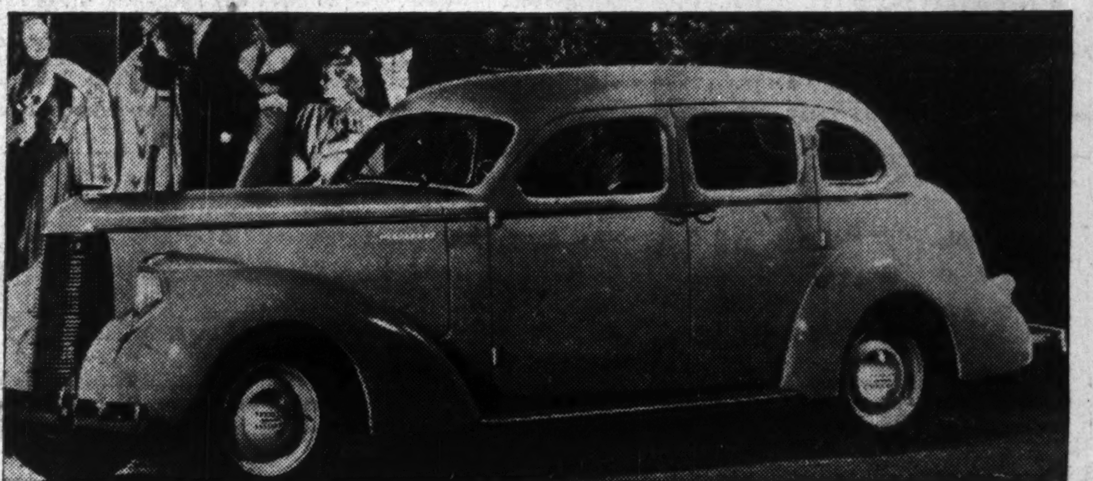
Prices generally from 5 to 10% above last year—in some cases increases were made prior to introduction of new models with no advance since.



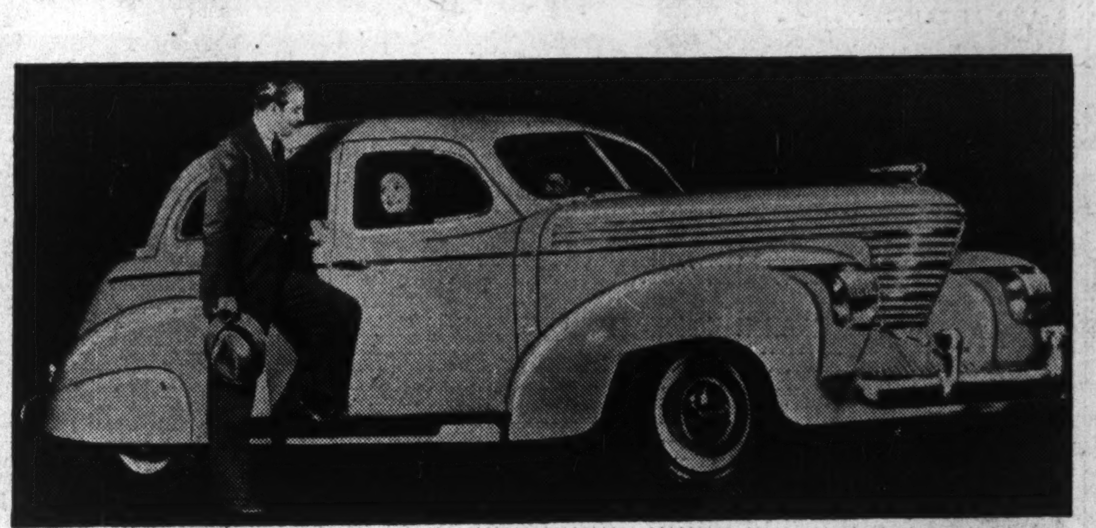
OLDSMOBILE Body lines, radiator grille and fenders radically altered, narrow type battery under hood, headlights mounted on fenders. New safety features include high instrument board, free of projecting knobs, roll upholstery along top-back of front seat. Shown at left is Oldsmobile Six four-door sedan.



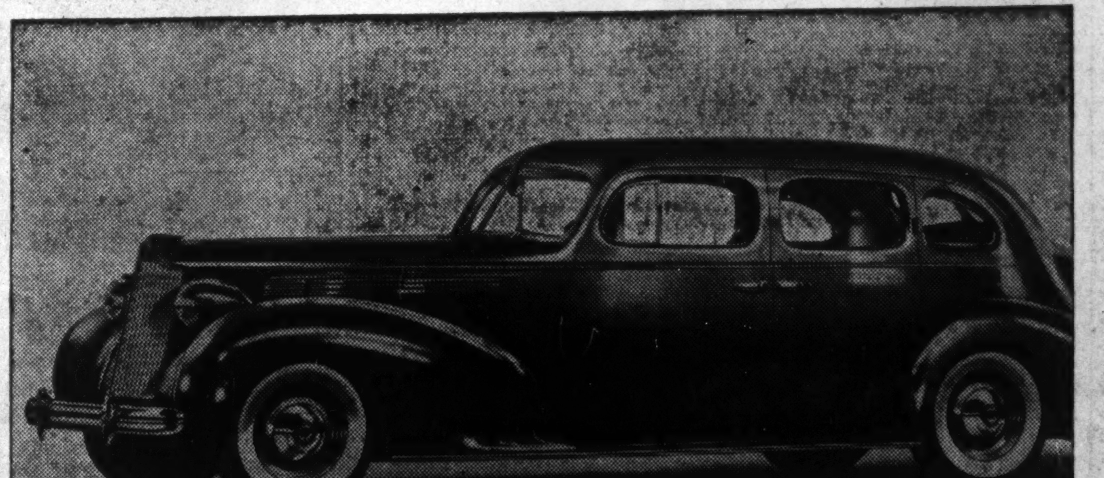
CHRYSLER New radiator grilles and fender treatment, wider vision through windshield feature new body changes. Inside independent hand brake has been moved to dash but still on driver's right. Front seats slide and adjust up or down. Engine quieter, more powerful and economical. Trunk 22% larger. At left Chrysler Imperial four-door sedan.



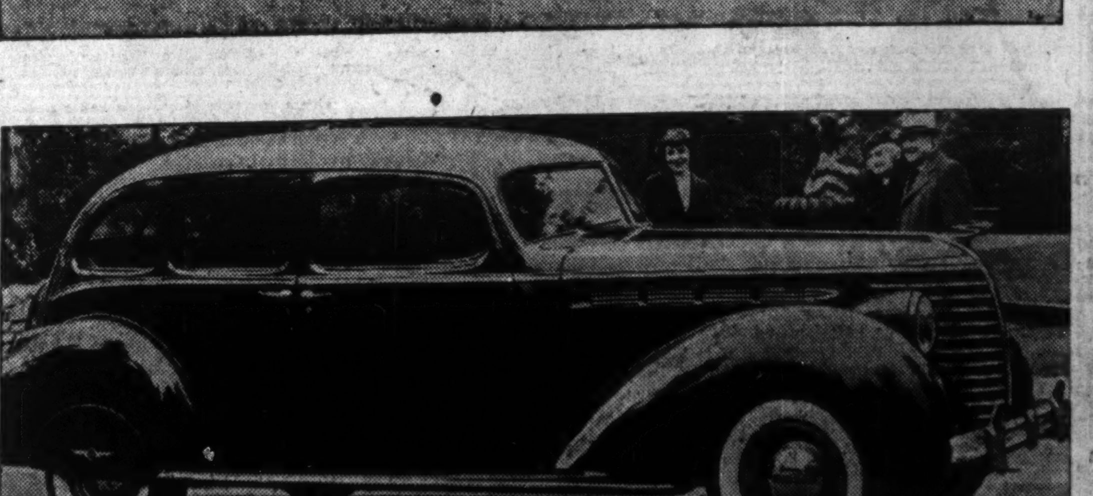
STUDEBAKER Space is keynote, with larger all steel bodies, more trunk room and clearing of driving compartment floor of brake lever and gearshift. A miniature gear shift lever, five inches long, mounted under the instrument panel, does the work, powered by the manifold vacuum. By turning transmission on side much of the hump in the front floor boards eliminated. Pictured at left is President Eight.



GRAHAM Completely redesigned with body lines and radiator leaning into wind. Roomier especially in front compartment, where gearshift mounted on dash and powered with vacuum, operates by pressure of finger tip. For present body types in four-door sedan as shown and coupe only.



PACKARD Packard's One-Twenty now becomes Packard Eight, companion car in the lower price field to the Packard Six. Both models, seven inches longer, have streamlined fenders, new windshields, larger trunks, wide defrosters, new instrument boards and new rear spring suspension systems. Similar improvements without radically altering main lines or the identifying radiator front have been made on the two larger cars. Left—Super-Eight.



HUDSON Hudson stresses fact that this is third year for automatic shift on its cars. Another feature emphasized is the double braking system, a set of mechanical brakes that come on automatically if the hydraulics fail. The 1938 models come in new fronts, completely redesigned and roomier interiors. At left Country Club sedan.

B. C. May Stop Export of Logs

Japanese Exploitation to Be Discussed By Legislature

From Our Own Correspondent

VANCOUVER.—Action may be taken at the present session of the Legislature to forestall proposed shipment of nearly half a billion feet of logs from British Columbia forests to Japanese mills.

It was announced a few days ago that Noppon Soda Co., powerful Japanese corporation manufacturing rayon, planned to employ Canadian companies to log an area of Vancouver Island timber which it purchased early this year. The timber would be exported in the raw state.

Japanese exploitation of British Columbia resources will certainly be discussed at the session, but what the Government can do to prevent export of logs from Crown grant timber is problematical. Crown grants are, of course, as inviolate as bonds and interference with the owners' plans to develop them would be regarded as repudiation.

Whether or not the present log shipping scheme can be prevented remains to be seen, but the Government may be able to further a plan for the restriction of ownership of Crown grant timber to British subjects. There would be a serious obstacle even in that, as many of the largest owners of B. C. timber are Americans.

Stedman Bros. Year May Almost Double 1936 Net

Stedman Bros., Ltd., operating a variety store chain in Ontario, reports net earnings of $93,369 for the 24 weeks ended June 19, 1937, against $53,742 in the corresponding period of 1936. After providing $14,939 for income tax in 1937 and $8,599 in 1936, there was a balance available for dividends of $78,430 in the 1937 period compared with $45,143 in 1936.

For the full year 1936, net earnings were $176,485, or about four times that reported for the first half of the year. The last quarter of the year is always the best period for the company and, if the percentage of increase shown to October continues for the balance of 1937, net earnings for the year are estimated at around $300,000.

Sales for the period ended June 19, 1937, were up 41.2% and it is understood that the same rate of increase has continued. The company has not so far felt any harmful effect from the stock market decline.

Fleury-Bissell Plan Approved

Merger Receives Unanimous Vote of Bissell Shares

Shareholders of T. E. Bissell Co., at the recent annual meeting, voted unanimously in favor of proposals for acquisition of J. Fleury's Sons Ltd., Aurora, Ont. Approval was also given to reorganization of capital and formation of the merger of the companies under the name Fleury-Bissell Co. At the meeting there were represented 1,808 out of 2,018 preferred shares and 8,968 out of 10,165 common.

For Fleury's assets, payment will be made: $34,448 in cash; $65,000 in 5% debentures maturing 1943-47, 1,000 shares of 5% preferred and 3,000 common.

In exchange for each share of Bissell 7% preferred, including arrears of dividends, holders will receive 1¼ shares of new 5% preferred and one common. The present issue of 7% preferred will thereby receive a total of 2,522½ shares of new preferred and 2,018 new common.

H. G. Pepall, Toronto, is to receive 50 shares of 5% preferred for services in connection with the merger.

New Capitalization

Bissell common will receive share for share in the new company. Outstanding capital of the merged firms will be $65,000 in 5% debentures, 3,572½ shares of 5% preferred and 15,183 common shares.

H. W. Fleury is to be added to the board of the new company.

The merger will diversify the farm implement business of T. E. Bissell Co., which makes a variety of products but principally disc harrows. Fleury's major lines are plows and feed grinders.

In the recent report for the year ended May 31, 1937, earnings of T. E. Bissell Co. were shown at $4.53 a share on the preferred. H. C. Hatch, president, stated recently that it was expected the merged companies would be able to earn debenture interest and preferred dividends from the outset of operations.

Corporate Investors Pays 6½ Cents a Share

A quarterly dividend of 6½ cents a share has been declared on the common shares of Corporate Investors Ltd., payable Nov. 15 to shareholders of record Oct. 31, 1937. This is the second payment at this rate, the first payment of 6½ cents a share being made Aug. 15. The former rate was 5½ cents a share.

Ontario Municipal Minister Skilled in Untangling Knots

By A. D. ELLWOOD

Staff Writer, The Financial Post

Ontario's new minister of municipal affairs and public welfare smilingly told The Financial Post that he felt he had "rather let the family down" when he waited until he was 33 years old to become a cabinet minister. His uncle, Hon. Charles Cross, became attorney-general for the newly-organized Province of Alberta in 1905 when he was only 32.

HON. CHARLES CROSS

Mr. Cross has another record to shoot at. His uncle, Hon. Charles Cross, was attorney-general of Alberta for 16 years.

Politics and law were firmly established in the traditions of the Cross family so that it is small wonder that Eric Cross entered Osgoode Hall on graduation from Queen's University. It was the influence of his mother's family, however, that led him to locate in the town of Simcoe when he started the practice of law. His mother's brother was a prominent businessman in Simcoe and the family had been well known in Norfolk county for a long time.

First Venture Loses

He was just 26 when he contested the Norfolk riding for the Liberals in the by-election made necessary by the death of Hon. John Martin, minister of agriculture in the Ferguson Government. His first venture was unsuccessful, although he lost by only 58 votes.

Eric Cross's rise to prominence, however, was only slightly delayed. In the spring of 1935 he came chairman of the Ontario Municipal Board, a position which he held until shortly before the 1937 general election. For the new cabinet that took office on Oct. 12, Premier Hepburn selected the man who was obviously best fitted of all his followers to be minister of municipal affairs and public welfare.

Organizing a Department

Hon. Eric Cross is not very anxious to talk about himself but he is willing to tell about his work. Ontario had never had a separate department of municipal affairs prior to 1935. There was a branch of the Provincial Government handling municipal statistics, but having little supervisory authority. The onset of the depression and inefficiency in the administration of their affairs by many Ontario municipalities led to numerous bond defaults and the situation was further complicated by the necessity of administering unemployment relief. The work of the Municipal Board under Mr. Cross, therefore, assumed unusual importance.

Although in no way claiming complete credit for the enactments of the Hepburn Government in establishing machinery for supervising and assisting the Ontario municipalities, Mr. Cross is very much in favor of two measures which he believes have done more than anything else to improve a serious situation.

Veto on New Buildings

One of these measures is a law which gives the department of municipal affairs control over a municipality's capital expenditures. Before a city or town can borrow money say to build a new school or a bridge, the project must have the approval of the Municipal Board and unless the work is really needed and the municipality able to pay for it this approval is not given.

A second measure gives the department power to compel the municipalities under its jurisdiction to adopt a pay-as-you-go policy for unemployment relief. The larger cities, such as Toronto, Ottawa, Hamilton and Brantford, had been particularly lax in this respect. The measure did not come into force in time to be used in 1935 as budgets were already drawn up on the old basis. A start was made in 1936 when a minimum of one-fifth of relief costs had to be paid out of current revenue. For 1937 this minimum was raised to two-fifths and further progressive increases are to be made until all unemployment relief is being paid out of current revenue.

A third matter to which Hon. Mr. Cross is giving considerable attention is that of improving the personnel of the men who administer Ontario's municipalities. For the past two years, the department has held short schools for municipal officers in connection with the universities in the province and Mr. Cross has done his part in lecturing to those attending these schools.

No More Delay

The minister is not ready as yet to make any announcement of new policies which he intends to enforce. He does say, however, that he believes business recovery has gone far enough to make it feasible and timely to push plans for re-establishing all defaulted municipalities in Ontario on a sound and solvent basis. There has been a tendency for creditors to hold back their consent to refinancing plans, in the hope that a better bargain could be made. Mr. Cross now thinks that the time has come for action and action can be expected.

Mr. Cross admits that he is not as well posted on the public welfare branch of his department as in municipal affairs, but from the thorough-going methods he has used to date it is clear that it will not be long until he is better acquainted than anyone in his department with all of its activities.

JOINS MONTREAL EXCH.

Hugh S. Garland, who has been elected a member of the Montreal Stock Exchange. He is a son of the late C. S. Garland, who was chairman of the exchange from 1920 to 1922.

Travellers

Harry C. Hatch, chairman of the board of Hiram Walker-Gooderham and Worts Ltd., is in England, where he expects to spend the next month.

Clarence A. Bogert, chairman of the board of the Dominion Bank has returned from a holiday at White Sulphur Springs, W. Va.

Gordon Perry, Toronto, president of the Royal Agricultural Winter Fair, has returned from a trip to England.

Sir Alexander Mackenzie has returned to London, Eng., after an extended stay in Canada.

New Books

Friend of the Soviet Union

MOSCOW 1937. By Lion Feuchtwanger. Published by Macmillan Company of Canada, Toronto. Price $2.25.

Dr. Lion Feuchtwanger is perhaps the greatest of modern German historical novelists. If we mistake not he is no longer persona grata with the authorities in his country, which may have something to do with his race and religion and may be because of his political views. The fact that he is the German representative on the council of the society of Friends of the Soviet Union would in any event not endear him to brother Adolf.

Dr. Feuchtwanger went to Russia early this year and he has written this book about his trip. He professes to have gone with an open mind and it is true that while he was in Moscow he made a number of uncomplimentary remarks about the Soviet political and economic system. These were duly published in the Soviet press but one assumes that the Russians were clever enough to know what his final analysis would be and they were merely trying to build him up in the public eye as a friendly and independent observer.

His volume is in reality a paean of rather lavish praise of Mr. Stalin and his associates, and a tribute to their achievements. It is worth reading and it contains much information and many opinions of unquestionable value. But for a critic of historical moods and movements, Dr. Feuchtwanger proved singularly naive in Russia and his acceptance of the new Russian constitution at its face value, with no adequate allowance for the "tongue-in-the-cheek" methods of putting that constitution to work in producing a fake democracy, leaves one with doubts as to whether Dr. Feuchtwanger went to Russia as an independent observer of history in the making or as a member of the council of the "Friends of the Soviet Union."

Land of Ancient Eggs

400 MILLION CUSTOMERS. By Carl Crow. Published by The Musson Book Company, Toronto. Price $3.50.

The 400 million customers are, of course, the people of China, and a wise as well as amusing people they are. In telling about them, Mr. Crow is able to produce that rarest of literary treats, a volume that informs and educates at the same time that it entertains and amuses. It provides no belly-laughs, but the reader with even the mildest sense of humor cannot read of the curious habits of the Chinese people as they are described by Mr. Crow, without vibrating continuously with sly chuckles.

Mr. Crow is an American who went to China as a newspaper correspondent and remained to establish an advertising agency business. In selling imported goods to the Chinese people he found himself under the necessity of learning their customs, their habits, their ways of thinking, even their superstitions.

The diverting facts that he outlines are beyond numbering: but they are more than diverting; they are useful for they show why there is no use in trying to give away free samples in China; no use in running coupon offers in newspapers; no use in trying to compete with a cheaply packed product against one that is packed in wood, etc.

There is much of human nature in China that would pass for human nature anywhere. But for the most part human nature in China is something different. It is in outlining these differences between Eastern and Western attitudes that Mr. Crow has provided the reader with a Gargantuan repast of delicious humor and highly edible psychology.

What Mr. Crow has to say is told almost entirely by means of incident; thus his story moves swiftly and wittily from page to page.

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Ronald F. Peck, Resident Manager

General Brock Hotel
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Harry A. Peters, Jr., Resident Manager

Prince Edward Hotel
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THE GOVERNMENT OF THE PROVINCE OF BRITISH COLUMBIA

BALANCE-SHEET AS AT 31st MARCH, 1937

ASSETS

INVESTMENT FOR REDEMPTION OF BRITISH COLUMBIA STOCK AND DEBENTURES (SCHEDULE "A")			$ 32,620,668.12
BUILDINGS AND FURNISHINGS		$17,666,323.06	
HIGHWAYS		67,900,360.40	
BRIDGES (LESS DEPRECIATION)		9,300,905.39	
WHARVES (LESS DEPRECIATION)		112,339.00	
FERRIES AND FERRY LANDINGS (LESS DEPRECIATION)		227,924.68	95,207,852.53
PROJECTS, LOANS, AND ADVANCES:			
Dyking Districts:			
"Dyking Assessments Adjustment Act, 1905" (less Sinking Funds)	$ 578,195.11		
"Dewdney Dyking District Relief Act, 1929" (less Sinking Funds)	71,314.65	$ 649,509.76	
Pacific Great Eastern Railway Company:			
Advances	$57,649,577.24		
Deferred charge re Guaranteed Stock and Bonds now set up as a direct liability	20,160,000.00	77,809,577.24	
Properties acquired under "Soldiers' Land Act, 1918":			
South Vancouver	$ 16,395.27		
South Okanagan	2,970,820.61	2,987,215.88	
Former Indian Reservations acquired:			
Kitsilano Reserve, Vancouver	$ 300,000.00		
Songhees Reserve, Victoria	773,690.08	1,073,690.08	
Agricultural Associations		28,208.76	
"Better Housing Act, 1919"		766,222.54	
"City of Port Coquitlam Aid Act, 1925"		9,423.75	
Conservation Fund		1,550,322.01	
Crown Property Development Account		20,000.00	
Departments		105,900.19	
Equipment Fund		2,070,000.00	
Industrial Development Fund		270,000.00	
King's Printer Operating Account		155,977.89	
Land Settlement Board		5,134,768.83	
Text-book Branch Operating Account		95,408.78	
University Endowment Lands Administration Account		2,184,937.34	
Forest Protection Fund		214,357.97	
Advances to Municipalities (Unemployment Relief):			
Municipal Works—Municipal Share	$ 511,375.13		
Municipal Direct Relief—Municipal Share	1,068,492.68	1,579,867.81	96,705,388.83
CASH:			
In Treasury		$ 350.34	
" Bank—General Account		4,160,676.23	
" Bank—Capital Account		3,464,563.45	
" Bank—Unemployment Relief Fund, "B" Account		1,487,067.26	
" Bank—Unemployment Relief Fund, "C" Account		2,172,763.55	
" Bank—Civil Service Superannuation Fund Account		2,066,623.16	
" Bank—Municipal Superannuation Fund Account		623,906.78	
" Bank—Teachers' Pensions Fund Account		606,762.11	14,623,774.88
INVESTMENTS (AT COST):			
Superannuation Funds		$ 5,712,023.43	
Teachers' Pensions Fund		800,205.46	6,512,228.89
ACCOUNTS RECEIVABLE:			
Assessed Taxes (less Reserve)		$4,542,189.28	
Grazing Fees (less Reserve)		34,421.72	
Probate and Succession Duties (less Reserve)		172,545.50	
Timber Royalty and Stumpage (less Reserve)		511,709.95	
Land Sales—Principal Outstanding (less Reserve)		526,434.79	
Provincial Municipalities		17,231.48	
Sundry Debtors		92,111.10	
Dominion Government (Unemployment Relief)		233,257.20	6,129,901.02
ADVANCES TO UNEMPLOYMENT RELIEF FUND			3,557,310.85
TRUST ACCOUNT (CONTRA):			
Cash in Banks and Investments at Cost			2,105,542.66
			$257,462,667.78

LIABILITIES

BRITISH COLUMBIA STOCK AND DEBENTURES (SCHEDULE "B")		$125,386,236.00	
MORTGAGE ON BRITISH COLUMBIA BUILDING, LONDON:			
Maturing in Quarterly Instalments to 24th June, 1945		80,025.00	
TEMPORARY LOANS:			
Treasury Bills:			
Canadian Bank of Commerce	$ 6,050,906.48		
Dominion Government	$31,345,079.72	37,395,986.20	
PACIFIC GREAT EASTERN RAILWAY GUARANTEED STOCK AND BONDS:			$162,862,247.20
Due 15th July, 1942			20,160,000.00
			$183,022,247.20
ACCOUNTS PAYABLE:			
Appropriation Accounts		$ 6,758,540.23	
Other Accounts		151,825.59	
Interest accrued on Public Debt		1,895,194.36	
French's Complex Ore Reduction Co., Ltd., Debenture		40,000.00	
Liquor Control Board		62,035.84	8,907,596.02
MONEY DEPOSITS:			
Intestate Estate Deposits		$ 779,472.92	
Suitors' Funds Deposits		142,841.70	
Surplus Moneys from Tax Sale Deposits		1,885.02	
Official Guardian Deposits		39,102.81	
Rural District School Tax Deposits		6,005.05	
Contractors' Deposits		95,385.00	1,064,692.50
SPECIAL FUNDS:			
Conservation Fund		$ 32,569.90	
Crown Property Development Account		14,306.51	
Equipment Fund		298,767.07	
Fire Marshal Act Fund		6,548.34	
Forest Reserve Account		81,770.65	
Industrial Development Fund		7,680.64	
Superannuation Fund:			
Civil Service		6,068,973.07	
Municipalities and School Boards		3,066,299.94	
Teachers' Pensions Fund		1,592,044.97	
Unemployment Relief Fund		1,308,153.65	
University Endowment Lands Administration Account		264,111.30	
Bequests and Other Special Funds		55,448.22	
Scaling Fund		7,096.54	13,904,673.20
DEFERRED CREDITS TO REVENUE:			
Interest and Discount on Sundry Loans to P.G.E. Rly. Co.			20,066,554.29
RESERVE FOR DEPRECIATION:			
Provincial Buildings and Furnishings			4,074,225.45
RESERVE FOR LOSSES AND CONTINGENCIES:			
Southern Okanagan Project		$ 2,850,000.00	
Land Settlement Board (re Sumas Development)		3,500,000.00	
Loans to Agricultural Associations		30,000.00	
Grants to Returned Soldiers under "Better Housing Act"		123,900.00	
Industrial Development Fund		125,000.00	
Houses, South Vancouver		6,000.00	6,636,900.00
TRUST ACCOUNTS (CONTRA):			
Sundry Accounts (Schedule "C")			2,105,542.66
SURPLUS			16,160,236.40
			$257,462,667.78

I certify that the foregoing Balance-sheet is in agreement with the books of the Government of the Province of British Columbia as at 31st March, 1937.

Investment for Redemption of B.C. Stock and Debentures.—Deposits for the fiscal year to the credit of the Minister of Finance as Trustee for the Sinking Funds were in arrears at 31st March, 1937, to the extent of $2,467,230.75. The aggregate arrears to 31st March, 1937, amount to the sum of $10,858,636.

Highways.—This account represents replacement value of Highways as at 31st March, 1926, in accordance with a schedule of mileage and classification certified by the Public Works Engineer, to which has been added, in subsequent years, the capital expenditure out of Loans.

Pacific Great Eastern Railway Co.—This asset is carried at book value, as the ultimate realizable value cannot be determined at this date.

In accordance with the terms of the "Pacific Great Eastern Construction Loan Act, 1928," the operating deficit of the Railway has been met by advances charged to the said Loan.

"Dyking Assessments Adjustment Act, 1905," and "Dewdney Dyking District Relief Act, 1929."—The amounts due from the districts are included at book value. The ultimate realizable value cannot be determined at this date.

Equipment Fund.—The deficiency in the Fund at 31st March, 1937, was $1,455,874.93, largely due to the employment, during the past five fiscal years, of Equipment Fund units on maintenance-work, free of rental charges.

Land Settlement Board (except Sumas Development).—These advances are included at book value, as the realizable value of unsold land and balances due to the Board cannot, at the present time, be determined.

University Endowment Lands Administration Account.—The amount which may be recovered out of these advances cannot be determined at this date.

Investments—Superannuation and Teachers' Pensions Funds.—These securities are now treated as the property of the Crown pursuant to legal opinion of the Attorney-General dated 4th March, 1935.

Surplus Account.—(See page xiii.) The sum of $2,830,094.90 appropriated under the authority of the "Unemployment Relief Act, 1933," and transferred to Unemployment Relief Fund pursuant to section 2 of the "Unemployment Relief Fund Act, 1934," has been written off.

Victoria, B.C.,
30th September, 1937.

J. A. CRAIG, C.A.,
Comptroller-General.

Note.—In addition to direct liabilities of the Province, the following securities as to both principal and interest have been guaranteed by the Province—

Guarantees	Authorized	Issued
(1.) Canadian Northern Pacific Railway Co. (due 2nd April, 1950)	$47,975,000.00	$40,157,523.90
*(2.) Pacific Great Eastern Railway Co. (due 15th July, 1942)	*	*
(3.) Vancouver and Districts Joint Sewerage and Drainage Board (due 1954-1971)	7,033,333.33	7,033,333.33
(4.) Agricultural Credit Commission (due 1st May, 1941)	1,000,000.00	1,000,000.00
(5.) West Nicomen Dyking District (due 1st May, 1953)	90,000.00	87,000.00
	$56,098,333.33	$48,277,857.23
(6.) Guarantees authorized pursuant to sec. 6, "Department of Industries Act, 1919"		$ 41,082.91
(7.) Guarantee authorized pursuant to sec. 3, "B. C. Cancer Foundation Note Guarantee Act, 1936"		$ 103,975.22

(1.) Certain mortgages covering C.N.P. Railway lines and properties within the Province were granted to Trustees to secure payment of the securities issued thereunder; such lines and properties are now part of the Canadian National Railways, which are controlled by the Dominion Government.

(3, (4), (5). Sinking Funds have been established in connection with these guaranteed securities.

* Now set up in the Balance-sheet as a direct liability.

Realities in Real Estate

Why Own Your Own Home?

By R. A. McEACHREN
Staff Writer, The Financial Post

THAT there should be any question whatever about the wisdom, economic or otherwise of a Canadian owning the house he lives in, indicates the present chaos of the real estate situation.

For home-owning has been the goal toward which the vast majority of Canadians have struggled.

On the face of it, of course, home-owning looks like good business. The landlord's "profit" is eliminated and the owner-dweller gets housing at cost. Traditionally, wisely bought land is supposed to increase in value, theoretically a pretty profit for the owner. The rule of thumb computation of rent is 12%—monthly rental $120, estimated value of the house $12,000. Roughly the renter seems to be paying the entire cost of the house in 10 years. Owning your own home appears to be sound business practice.

Good House Hard to Rent

It has other very definite advantages. You likely come nearer to getting exactly what you want, where you want it, doing what you want with it, when you want it. Landlords in Canada are for the most part amateur, and desirable houses to rent are extremely rare.

Home-owning is supposed to contribute certain spiritual values like peace of mind, sense of security, sense of responsibility, social and political sense and so on. It gives social standing and is supposed to provide a haven in economic storm.

Because of the aura of security and wisdom which traditionally hangs over home-owning, few owners get down to brass tacks with themselves and find out what home-owning actually costs, if it really does provide a refuge when all else fails, if it really does provide all these advantages so glibly claimed for it.

Take a sample case. House bought for $8,500, first mortgage, $6,300. Taxes vary widely, but in most urban centres $250 will be a reasonable figure. Interest on first mortgage at 5½% comes to $346.50, interest at 5% on owner's $2,200 equity amount to $110, insurance $10. On the basis of these costs monthly "rent" for the owner-occupant will be about $60. If he were to rent the same house the "rule of thumb" rent would be $85 although if the house were old or out of date $60 might get it.

Cost of Repairs

But what about the cost of repairs, obsolescence and depreciation? That $60 monthly is by no means the owner's entire cost. For maintenance such as painting, papering and plumbing, $200 yearly is a modest figure and if the house is poorly built it will be much higher.

Close estimate of the yearly loss through depreciation and obsolescence is impossible. Air-conditioning and insulation are the two developments now making thousands of homes obsolete, including some which right now are in process of construction. Depreciation depends on a number of unpredictable factors such as building costs. Environment value is unpredictable. Your district may remain "good" for 20 years, although that other district was unfashionable and "dying" after 10 years.

Of course, land may increase in value. Every individual knows instances of some lucky development which boosted the fortunes of a few landowners. But just as unpredictably some development may ruin values. In the average case, in Canada for the past decade, built up residential property has been falling.

So now what does home-owning cost? Basic expenditures came to $60 monthly, maintenance at a minimum adds another $17 per month. That totals $77 and on top of that goes obsolescence and depreciation which may wipe thousands of dollars off your house the first year you live in it, and which certainly will in 40 years.

Home-owning comes high. Tested purely on the basis of cost, home-owning is likely to be much more expensive than renting. But its advantages, getting what you want and where, ensuring a measure of privacy and protecting yourself against orders to move are comforts for which man is usually willing to pay and pay well. But many home-owners haven't figured out that they are paying dearly for this superior kind of housing.

Case Against Owning

What is the case against home-owning. Money invested in a home is now, in the average case, a frozen asset. Unlike stocks or bonds every house is a separate individual unit. You want cash today. With average stocks or bonds the investment is back in your pocket in a few hours. With a house you must wait until some individual wants your particular house and you may wait, literally, five days or five years.

This aspect becomes serious, particularly in the lower income brackets, when loss of job or health or change to another city comes into the picture. Then a house may be the trap that completely sweeps away the family wealth instead of being the traditional refuge in time of storm. During recent depression years, many families have discovered the bitter fact that obeying old dictates of domestic and civic virtue has spelled ruin. Researchers estimate that families with an income of less than $1,200 a year should not dare the hazard of home-owning.

One fundamental trouble with home-owning is present even before you sign the offer to purchase: Speculative building.

Because of the old belief that owning a house is "good" for the average family, the house speculator has found a generally healthy, nearly always uncritical market.

Profit is naturally the speculative builder's main concern. He has his reputation to look after, of course, but perhaps there is no other business in which bad chickens so seldom come home to roost or, at least, take so long in doing it.

Buying a piece of low-cost property, throwing up a line of houses, shoving sales and turning them over fast before mortgage costs and taxes accumulate is the speculative builder's technique for money making.

Builders are no less ethical, no less conscientious than members of other trades or professions. Probably there are more "honest workmen" in the building trades than in many others.

Public Tolerates Bungling

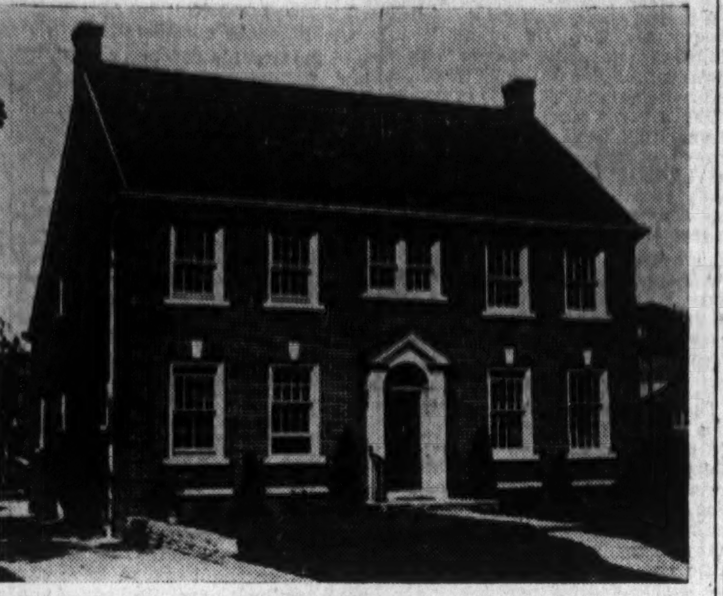
But the conditions of this largely unorganized, largely unstandardized business are conducive to jerry building. The public tolerates bungling and inefficiency in building as it does in few other things. What motor car, refrigerator or radio manufacturer could survive a single season if he made such a poor job as the jerry builders do? Doors that don't shut properly or won't for long; windows that can't be opened or closed easily; heating systems that don't heat; floors that squeak and curl; plaster that cracks and falls; paint splattered over everything at hand; design and form that outrages the simplest tenets of beauty and utility.

Because of the relatively longevity of the ordinary house, the jerry builder's minor faults don't become too evident until after sale is completed. Because of lack of standards, house "guarantees" mean just about what the individual wants them to mean.

With motor cars, radios, the buyer can readily learn their reliability and workmanship. Fairly definite, high standards of performance and service give the guarantee real worth. With the ancient craft of house building there is none of this. Any workman can set himself up as a builder. If he wants to and is clever, he can house 10,000 families and make his small fortune before shoddy workmanship becomes evident to the average householder.

The public wants a lot of house for a little money and few buyers there are who can tell when they are really getting a lot for little

Building by-laws in most cities have been gradually improving building standards, giving the house buyer greater protection. The standards imposed for loans under the Dominion Housing Act are introducing uniformity over all Canada with a generally upward trend.


Home owning comes high.

Perhaps the biggest defense for the home buyer is the architect, university trained in making houses efficient, and lasting, in getting the most value for the fewest dollars, with professional codes of honor and integrity as strict as law or medicine. Slowly but surely the service they offer is sinking into the public mind. One of the most hopeful signs of recent years for improved housing is in the number of small houses in the modest means class which are being architect built.

It isn't only the speculative house that may—and likely has—in its vitals the germs of economic disease. The traditional scheme of house building loads the dice against your district too.

"Speculators have planted the seeds of blight in every community they have touched," was the finding recently of a large body of housing experts.

Important profits for the speculative builder come from buying cheap land, chopping it into lots, lining it with houses and adding to his modest profit on the actual house construction a thumping profit for the "improved" land on which it stands.

Subdivisions Crowded

Nearly every house-owner knows from sad experience how this speculative builder's blight works out. Because he wants to get every dollar out of his land, the jerry builder crams his lots with houses. Though there are thousands of acres a little further on, the city becomes jammed with buildings as if its boundaries were as restricted as a Chinese compound. With selling his only interest, he sells anything to anybody. Here again the tax system rears its ugly head. Because of the tax system the wise builder who leaves open spaces, who does not jam his land and blight it at its birth is penalized.

The residential district that is going to stay reasonably "good" for a reasonable period of years is carefully planned right at the start. Unfortunately Canada has little to show in this regard beyond a few "millionaire" subdivisions. Houses are all within a fairly broad price range. Business property is barred or carefully restricted. Open spaces are planned. They don't just happen. Within broad limits realtors are carefully selective as to the type of buyer accepted.

Belatedly, most cities now have zoning and planning schemes which are preventing repetition of the worst evils of the past. But the best subdivision is still very far indeed from what it might be. Another article in this series will deal with some foreign examples of what can be done.

The next article to appear in The Financial Post will be: "Cave-dwellers," the apartment and duplex era.

New Move Planned On Private Debts

From Our Own Correspondent

EDMONTON. — While Premier Aberhart has announced that a further attempt to deal with private debts will be made by the Social Credit Government, no hint has been given of the nature of the forthcoming measure.

Since the Legislature is not expected to meet again until late in the winter, the new action on debts is not anticipated until then.

Previous attempts to reduce debts have proved invalid. The Debt Reduction Act of August, 1936, was upset in court, and a general moratorium has been in effect for several months. Meanwhile, the Alberta Debt Adjustment Act has been operating and considerable work has been done under it.

When the Legislature abandoned a new debt reduction measure in March, 1937, intimation was given that any new bill along that line would be subject to the approval of C. H. Douglas, Social Credit adviser in London. This particular aspect of Social Credit policy has not been advanced in the meantime.

Fraser Cos. Net is Higher

Larger Provision for Income Tax Holds Down Share Profits

MONTREAL.—Indicated earnings of $1.41 a share for the nine months ended Sept. 30, 1937, are shown in the consolidated statement issued by Fraser Cos. During all of last year the company earned 27 cents a share.

The figures for the nine months do not fully reflect improvement in earning power, as an unusually large amount has been set aside for income tax. On a net profit of $720,461, after provision for interest charges and depreciation and depletion, the company sets up a reserve of $196,422 for income taxes for the period. This works out at 21% of the net revenue. A figure of 15% is regarded as more normal, and, taken on this basis, an additional 11 cents a share would be available on the common, making in all $1.52 a share for the nine months period. If earnings for the last quarter are maintained on the same basis, this means that the company will be able to show $2 a share on the common stock.

Details of consolidated income and expenditure accounts follow:

Income and Expenditure Account
Nine Months Ended Sept. 30, 1937
(Subject to adjustment on audit)

	$
Earnings after oper. exps., taxes	2,142,333
Less: Bank & other interest	21,257
Special loan interest	76,684
Bond interest	549,521
Deferred bond interest—Restigouche Co.	26,597
Depletion & depreciation	747,813
Net income*	720,461

*Before income taxes for the nine months period (estimated at $196,422).

Spotlight on Labor

Despite efforts last year to extend the scope of Canadian labor groups the Ottawa Department of Labor's report for 1936 shows a total membership of 175,000 in Canadian units of United States organizations, compared with 148,000 in strictly Canadian groups. The latter figure includes the 45,000 National Catholic unionists organized under the special circumstances prevailing in the Province of Quebec. The combined total of 322,000 union members represents a gain of 41,000 over 1935.

An important factor in winning support of an unorganized worker for any particular union or type of union is, of course, the membership, strength and influence of the body involved, and of the central body with which it is affiliated. But quite as important is the financial strength of the organization and the benefits in which the enrolled members may expect to participate. These include strike pay, death benefits to dependents, sickness and accident allowances, unemployment relief, and pensions or other care in old age.

• • •

The naturally stronger treasuries and consequently attractive benefit plans of American unions have constituted a strong influence in deciding the support of Canadian workers as between Canadian and international bodies. The Department of Labor report indicates that benefit payments last year in Canada through international organizations were not only greater in amount than those by Canadian bodies, but substantially greater when calculated on a per capita basis.

The report gives a total of $20.2 millions in benefits paid out in the United States and Canada by the headquarters of international organizations with units in Canada. The department was unable to obtain data giving a separate total for payments in Canada alone. But as Canadian membership of international labor groups is approximately 5% of the total, it may be roughly estimated that the Canadian share of the benefit payments by international bodies was in excess of $1 million.

In addition to this, Canadian local units with international affiliations paid out directly benefit payments totalling $319,000, increasing to $1.3 million the grand total of benefits to international unionists in Canada. This is equivalent to payment of $7.40 per capita of enrolled Canadian membership in international bodies.

In contrast, the report sets at only $161,000 the total of benefit payments in Canadian central bodies and local units of purely Canadian labor organizations. The per capita payment in this case works out at only $1.09. Of the gross payment by Canadian groups, $68,000 was by Canadian central organizations, chiefly for death benefits; and $93,000 by local units, including independent bodies.

Jantzen Knitting Profit Small But Outlook Better

Both sales and profits of Jantzen Knitting Mills of Canada Ltd. rose in the year ended July 31, 1937. It is understood that improvement has continued into the current year, with fall orders appearing in August this year well ahead of the usual period. Volume has also shown an encouraging increase.

The net profit for the year, after all charges, was $1,804 which reduced the accumulated deficit on the balance sheet to $81,624. Total current assets, including merchandise inventory of $78,705 and accounts receivable of $38,430, were $117,235 compared with $63,864 at July 31, 1936. Current liabilities at the end of the last fiscal year were $86,166, leaving working capital at $31,067.

Dividends on the 7% cumulative preference shares are in arrears since July 31, 1931, a total of $250,000.

Details of profit and loss statement follow:

Profit and Loss Statement
Years Ended July 31

	1937 $	1936 $
Sales	319,019	252,545
Less: Cost of sales ...	214,466	162,885
Gross profits	104,553	89,660
Less: Warehouse & ship.	11,420	9,479
Selling, adm. & gen.	67,902	56,198
Royalty paid	9,314	9,367
Interest	3,663	3,114
Bad debts w/o	456	1,154
Depreciation	8,444	8,231
Int. under ext. agree.	1,360	1,348
Income taxes	190	123
Net profit	1,804	646

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122-INCH W. B. . . . 101 AND 107 H. P. WITH SIX STAR MOTOR
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BODIES ALL OF STEEL, including roofs of steel, for greater safety.

WHEELBASES: 117 inches in Hudson Terraplane; 122 inches in Hudson Six; 122 and 129 inches in Hudson Eight.

HORSEPOWER: 96 and 101 in Hudson Terraplane; 101 and 107 in Hudson Six; 122 in Hudson Eight.

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IT'S "BARGAIN YEAR" IN HUDSON SHOWROOMS

See the 3 Brilliant New Hudson-Built Cars at Your Nearest Hudson Terraplane Dealer

Insurance

Women Small Buyers Of Life Insurance

Hold Only Six Per Cent of Policies in Force in Canada — Men Still in Preferred Class

Why is it that women are such small life insurance buyers? Why are the life companies not pressing their drive for new business toward the fair sex?

Only five to six per cent of the life insurance policies in force in Canada are held by women.

Of the army of life insurance salesmen at work in Canada an even smaller percentage are women and the majority of Canadian companies hardly encourage their entrance into the field.

Women comprise more than 20% of the wage earners in this country and yet in one of the greatest channels of investment for the wage earner their money is seldom found.

Sales to women are definitely increasing, especially in the past few years, all companies are agreed. A recent survey of 20,000 policy sales in United States and Canada revealed that 24% of the 20,000 policies were bought by women. But the value of the women's policies was only 15% of the total, showing that the woman's policy is usually smaller. The average for women in this group was $1,300, the average for men $2,300.

Housewives Buy Policies

Although it would be expected that business women would account for most of the sales, this survey revealed that housewives made up about 50% of the insurance buying women.

Two thirds of the women in the group who bought were between the ages of 20 and 40.

From the policyholder's point of view, of course, the protection aspect of life insurance is of much less appeal to the average woman than to the man with the responsibility of providing for wife and children after his death. In that fact is the predominant reason why life insurance is likely to be a male investment.

Husband as Beneficiary

The problem of beneficiary arises with ordinary life policies for women. While it might appear obvious that the husband would be acceptable as beneficiary, the insurance companies don't always think so. Some for years refused to accept such a contract. Quebec still makes it illegal. Most companies still consider each case on its merits, but if the husband is not a large insurance holder or if the wife is being very heavily insured the company may balk and refuse to write the policy.

Ordinary life insurance they argue is designed fundamentally to provide income after death of the wage earner. Since the man usually brings in the money, companies look with suspicion on a contract which, as they put it, "lacks proper insurable interest."

Nearly all companies in recent years have developed the pension policy and retirement annuity plans to a high degree and it is this type which appeals especially to women who must provide for themselves in later years.

The large number of women who have a dependent, an aged mother, a child or other relative and who therefore need the protection provided by ordinary life insurance is a fact which some companies have been making use of in recent years. Growing divorce and fluidity of marriage is another factor changing the insurance for women picture.

With the shifting attitude toward life insurance, the appeal to women is becoming more direct. No longer primarily a protection for dependents after death, the policy of the 1937 investor is likely to be regarded also and probably chiefly as a savings plan preparing for retirement in advanced years. And savings and retirement are just as important to women as to men.

Safe Investment

In recent years of business uncertainty, many women of wealth have been finding that letting the insurance company do the worrying about producing an income from their capital is much simpler, probably safer and more profitable than trying to manage real estate, mortgages, bonds, stocks and other reservoirs of wealth.

Mrs. Helen Follis, of the Sun Life staff, Toronto, and one of the biggest woman producers in Canada, believes that women offer the major field for sales development.

"I put my son through college and and I know from bitter experience how much insurance would have meant to me. That's what I show women clients," Mrs. Follis confided. Now Mrs. Follis works nine months in the year, loafs the other three at her summer home.

Buy Too Much

"The trouble with most women who buy insurance is that they take too much," Mrs. Follis said. "When a girl is working and looking after herself she may be well able to look after it, but when she marries, her husband may not, and the insurance is dropped. For that reason, it is really bad salesmanship on my part to sell her more than she is likely able to carry right through."

With the growth of sales to women, companies are finding that they must find some solution of this problem. At least one company has adopted the practice of transferring the bride's life insurance to her husband at the same rate and date as when originally purchased. The company, however, is very careful to point out that they give no guarantee that they will permit this transfer. "It all depends on the case, the man's health and so forth," it was explained. "On the whole, we find it better that they take the paid up option. If they have a $25 a month pension policy and have only paid one fifth of the term, then they get one fifth of the pension, $5. In that way they don't lose a cent."

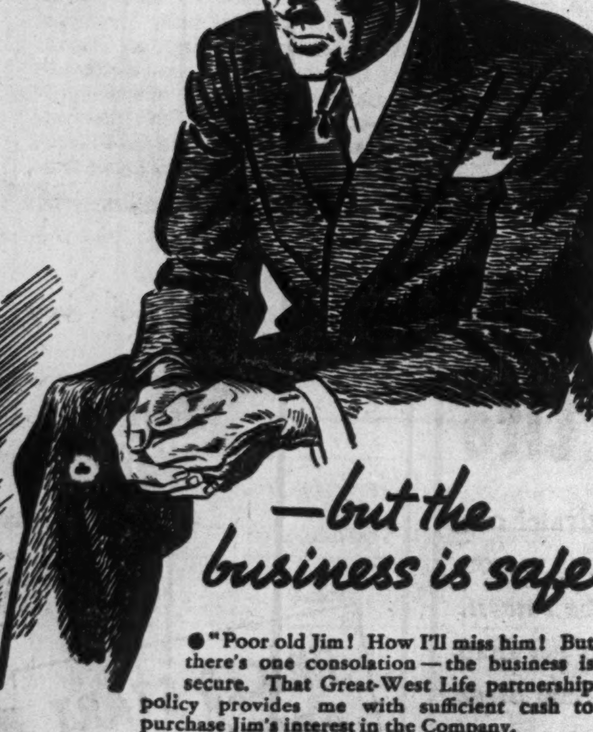
Montreal Stock Trading Running Behind Last Year

From Our Own Correspondent

MONTREAL.—Industrial shares turnover on the Montreal market increased during October, while volume of mines recorded a decrease.

Industrial shares traded on the Montreal Stock Exchange and Montreal Curb Market during the past month totalled 1,459,116 shares, compared with 1,429,523 shares in September and 2,176,481 shares in October, 1936. Mining turnover amounted to 2,252,908 shares, as against 2,648,632 shares in the previous month and 3,931,144 shares in October of last year

"MY PARTNER IS GONE


—but the business is safe"

● "Poor old Jim! How I'll miss him! But there's one consolation — the business is secure. That Great-West Life partnership policy provides me with sufficient cash to purchase Jim's interest in the Company.

"I'm certainly thankful to the Great-West Life man for suggesting that partnership agreement and drawing up that policy to give us both such complete protection. Now Jim's wife will have the actual cash, instead of an interest in a firm temporarily weakened by his death. That Great-West Life policy was the best investment we ever made."

Insurance is a vital asset in business. It builds credit, provides safeguards against the loss of key men. Ask a Great-West Life man to analyze your company's problems, and prepare a plan of insurance to protect your organization against emergencies.

The GREAT-WEST LIFE ASSURANCE COMPANY

Head Office—WINNIPEG

ELECTED DIRECTOR

Vicomte de Roumefort, general manager of Credit Foncier Franco-Canadien, who has been elected a director of the company. He will succeed the late Senator Rodolphe Lemieux.

VICE-PRESIDENT

Beaudry Leman, president of the Banque Canadienne Nationale, who has been elected vice-president of Credit Foncier Franco-Canadien in succession to the late Hon. Rodolphe Lemieux.

Insurance Firms To Alter Returns

Department Forms Ask More Detailed Information

New form of return which insurance companies yearly make to provincial department of insurance has just been agreed upon and will be used for this year's reports.

Developed by Colin Campbell of the Ontario department and George La France, Quebec insurance superintendent, the new return gives more information about company business. Dividends for instance are hereafter classified under different heads, ordinary, group and industrial. Premiums are also separated showing how much is paid by cash, how much otherwise.

Until now insurance companies have had to make out nine separate reports, one for each province showing details of business. Now one draft is sufficient. Information is still classified by provinces, but all provincial business is listed on each blank.

G. Tamblyn Ltd. Reports Further Gain in Sales

Quarterly reports of G. Tamblyn, Ltd., drug store chain, show that sales have continued to gain over the same periods of 1936. Sales of $849,954 for the three months ended Sept. 30, 1937, are up $49,973. Profits decreased by $15,985 as compared with the same quarter of 1936, but the two periods are not strictly comparable, as over $20,000 of non-recurring items was taken into profits in connection with the capital reorganization during the third quarter of 1936. Accordingly, profits from sales actually increased by more than $4,000 on this basis.

Sales for the nine months ended Sept. 30, 1937, were up $91,644 from the same period a year ago, while profits increased by $20,295. The same explanation regarding non-recurring profits applies in this case, and it is also evident that sales showed an accelerated gain in the third quarter as compared with the first two quarterly periods of 1937.

Three Mos. End. Sept. 30:	1937 $	1936 $	Increase $
Sales	849,954	799,981	49,973
Profits	16,872	32,857	*15,985
Nine Mos. End. Sept. 30:			
Sales	2,624,808	2,533,164	91,644
Profits	77,143	56,848	20,295

* Decrease.

Saskatchewan Drafts Crop Insurance Bill

Measure to be Presented at Next Session of House

From Our Own Correspondent

REGINA.—Draft of a crop insurance bill is ready for consideration by the Saskatchewan Government and probable presentation to the next legislature which may meet before Christmas.

The draft bill has been prepared by A. H. Hanson, of the federal agricultural statistical department and may, it is believed, become a contentious measure on the floor of the legislature.

The Hanson draft follows fairly closely a plan devised by John C. Davey, of Regina, which, it is understood, has previously been placed before some members of the Government and rejected. The provincial committee on crop insurance included Mr. Davey's scheme in its preliminary report along with three others. The committee reached the point where it was found necessary to bring in Mr. Hanson to present a compromise.

Localized Control

Briefly, the plan calls for localized control instead of central control, would exclude submarginal land and farmers whose practices would make them a constant drain on funds. The municipality would be the unit of operation and it would have power to vote itself in or out of the scheme.

The marketable surplus of wheat in each municipality would become liable for assessment at an average rate to be determined by directors of the association for each municipality. The assessment would be determined on the percentage deducted from the value of the marketed surplus of wheat and would be collectible through the normal marketing of trade elevators commission houses and consignees.

Wheat production statistics of the secretary of statistics, Regina, and supplementary statistics from individual surveys when necessary would be used to enable determination of sound and equitable rates of assessment for each municipality. The farmer is supposed to file his acreage.

Coverage Policy

Coverage is to be obtained by making use of wheat yield data in the agriculture department, Regina, since 1918, and the long term yield would be basis for computation. There are four levels in the draft bill, namely, 40%, 50%, 60% and 70% of the long term average yield and the municipality must choose one of the four for its coverage.

In the meantime Government officials are reticent about the draft prepared by Mr. Hanson. Hon. J. G Taggart, minister of agriculture, addressing the United Farmers convention, gave first inkling the Government has something before it on crop insurance, but he did not commit himself either way in his address which covered other matters concerning agriculture.

Maritime Telephone Sets New Record on Toll Traffic

From Our Own Correspondent

MONTREAL.—Long distance toll traffic handled by the Maritime Telegraph and Telephone Co. during September was greater than for any corresponding month in history. The company handled 149,890 calls, or 4,689 more than in the same month of 1930, the previous peak.

There was also a marked gain in the number of stations in operation. At the end of September the company reported 40,138 stations, a net gain of 220 during the month. The Island Telephone Co., a subsidiary, reports 4,246 stations, a net decline of 10 during the month.

New Licenses

The federal department of insurance announces issuance of the following certificate of registry:

Helvetia Swiss Fire Insurance Co. authorized to write fire insurance. Jules H. Pigeon, Canadian chief agent.

The federal department of insurance announces that the following companies have been licensed to write additional classes of insurance.

Occidental Fire Insurance Co. — Fire, accident, automobile, burglary, explosion, hail, plate glass, sickness, sprinkler leakage, tornado, falling aircraft and loss caused by vehicles.

Ohio Farmers Insurance — Falling aircraft, hail, explosion, civil commotion, sprinkler leakage, and loss caused by vehicles.

Insurance Co. of North America—Loss caused by vehicles.

Alliance Insurance Co. of Philadelphia—Falling aircraft and loss caused by vehicles.

Philadelphia Fire and Marine Insurance Co.—Falling aircraft, hail, civil commotion and loss to property caused by vehicles.

Lumbermen's Insurance Co. — Inland transportation and personal property

National Retailers Mutual Insurance Co.—Fire, loss of or damage to an automobile by burglary or theft, earthquake, explosion, hail, sprinkler leakage and tornado. Vance C. Smith, Toronto, has been appointed Canadian chief agent.

Beaver Fire Insurance—Falling aircraft, hail, explosion, civil commotion, loss caused by vehicles.

Hardware Mutual Fire Insurance Co. of Minnesota—Personal property.

Hardware Dealers Mutual Fire Insurance Co.—Personal property.

Minnesota Implement Mutual Fire Insurance Co.—Personal property.

National Security Fire Insurance Co.—Falling aircraft, explosion, civil commotion and loss caused by vehicles.

Insurance Inklings

J. B. Nettelfield has just been appointed manager of Great West Life's Branch No. 2, located in Bank of Commerce building, Toronto. Mr. Nettelfield began as agent with this branch several years ago, was made supervisor last year. He is an honor roll producer. He succeeds Charles C. Martin, recently made superintendent of agencies for Northern Life.

Bernard Lockwood, F.F.A., A.I.A., secretary-treasurer and actuary of The Maritime Life Assurance Company, announces the appointment of S. R. Hellig, M.A., B. Com., F.F.A., formerly of The Standard Life Assurance Company, Edinburgh, Scotland

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A leading All-Canada Company — in volume; in strength; and in service to "select" property-owners and agents.

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FIRE, WINDSTORM, AUTO, CASUALTY

United States Fidelity & Guaranty Company
TORONTO

Checking Forged Cheques

Few Insurance Policies Carried by Canadian Businesses — Bank Responsibilities Limited

A daring young man got a marked cheque for $17. He raised it to $15,299.25 and turned it over with a bogus forged cheque for $8,471.37. In return he got $20,000 worth of bonds.

That's just a simple and not very clever trick from the forger's bag, typical of the scores of forgeries that hit the Canadian business world every year. The yearly loss from the forger and embezzlement in United States and Canada is estimated at $200 millions.

And far more forgers are caught and granted the chance to make restitution privately than ever come before the courts. Business is agreed about that.

Few Policies Carried

Last year some $65,000 in premiums for forgery insurance was paid by Canadian business. Since the cheapest form of forgery insurance costs $3.75 per thousand, that means that only $1.7 million of Canadian business was insured, and since many firms would carry a much more expensive form, the real figure is considerably less.

This $3.75 per thousand policy protects against loss from tampering with your cheques either in forged signature, endorsement, amount, number or date. It also protects you against loss through "face to face" transactions in which you have been duped by impersonation. An amplified policy, usually termed a "commercial forgery bond," provides the above protection plus protection for the insured on incoming cheques—against loss from forged or altered cheques tendered in payment for merchandise property or services. This type of insurance costs $10 per thousand, but the insurance company takes liability for only 75% of the loss in order to protect itself against sloppy business methods.

Last year was unusually fortunate for the companies. In addition to their $35,000 in premiums, they were able to collect $8,000 in restitution on the claims they paid out in previous years. Against this total income last year of $73,000, the forgery writers paid nothing in claims.

The previous year, 1936, it was a different story. Premiums amounted to $46,000, losses paid by the companies were $15,000, a loss ratio of 33%. In 1934, the public got $8,700 back for $38,000 paid in premiums, loss ratio of 22%. In 1933 the loss ratio was about 16% and in 1932 about 29%. But in some years in the past the loss ratio has leaped up to almost 300%. The professional forger when he makes a strike makes it a big one.

Loss ratio with other forms of insurance for the year were: accident, 40%; automobile, 54%; burglary, 40%; hail, 35%; livestock, 70%; plate glass, 50%; and sickness, 65%.

Why is it that so few Canadian businesses buy this form of protection?

The businessman's answer is that it's up to the bank. Canadian law rules that the bank which accepted the forged or altered cheque, not the victim, must stand the loss. The law clearly states that a bank is bound to know the signature of its own customers.

The law, therefore, might eliminate the need for most kinds of forgery insurance were it not for several very practical considerations.

In the first place, forgery must, by law, be detected within the year for the bank to be held liable. And the successful forger very frequently gets away with it for longer periods. In one recent Canadian case a trusted employee got $45,000 from his firm over an eight-year period.

In the second place, the bank may very well be inclined to fight the case. It can protest that there was no carelessness on its part. It can argue that there has not been a forgery at all. It can hold up to you a bundle of your own cheques in court, riffle them over, and the forger will indeed be an amateur if you can correctly pick out which signatures were written by yourself, which by the forger. If you cannot, it will be hard to prove carelessness on the part of the bank.

Releasing the Bank

There are other ways for the bank to escape liability. It is customary for the bank to have the customer look over all cheques and vouchers of the previous month. The list is O.K.'d by the customer and signed. That done the bank is released from liabilities or tamperings with any cheques in that batch. Because the forger is usually an artist, the business house may very easily sign the release slip before trouble breaks.

In the Bank Act there is also a clause demanding the same care about cheques from the customer as it does from the bank. The bank may be able to show that it was you who was negligent in making out or handling the cheque.

A Canadian Supreme Court decision released the bank from liability because the customer had failed to inform the bank "by telephone or telegraph" immediately cheque fraud had been detected.

In another decision, a bank was cleared of responsibility because a company secretary had previously been exceeding his authority by signing cheques on his sole authority and the bank had not been notified.

Goodwill of the bank is highly important to nearly every business. Scrapping in the courts with the institution whose friendship is so valuable is unlikely to be profitable.

Sales Problems Discussed At Insurance Conference

Problems of life insurance selling were discussed for the benefit of 1,200 Ontario salesmen gathered in Toronto last week for the educational conference sponsored by the Toronto Life Underwriters' Association.

Among the highlights of the conference was the address of Fay Davies, superintendent of agencies. Highlights included:

"The most difficult thing about selling," he told his audience, "is the last 10 feet and the first 10 words." He indicated he thought writing out the intended interview beforehand was often advisable.

J. E. Kavanagh, vice-president Metropolitan Life, New York, former Ontario boy, declared that when he started in the business he felt like a "panhandler." "I felt I was being conferred a favor when I got an application signed. Then I realized it was I who was Santa Claus."

"You can shut your eyes today and buy life insurance and not get cheated. I don't know of anything else you can buy safely that way. All the companies are good."

Laura Secord Sales Higher

Net Down to $3.75 a Share From $4—Five New Shops Opened

Laura Secord Candy Shops reports sales up $110,932 to $1,722,801 for the year ended Sept. 30 last. Net profit was $213,562, equal to $3.75 a share, compared with $4 a share in 1936, the decrease being accounted for largely by greater depreciation allowance and lower profits on sale of investments. Another factor, it is stated, has been an increase in cost of materials. Four quarterly dividends of 75 cents a share were paid during the year.

No profits of the wholly-owned subsidiary, Mary Louise Candies Ltd., are included. This investment is carried in the books at cost of $5,000.

The company's strong working capital position was well maintained at $1,866,624, an increase of $18,112. Cash is shown at $154,964, government bonds at $1,622,911 (market value $1,776,000) and inventories at $147,936.

Fixed assets as at Sept. 30, 1937, are carried at $799,950, which is $50,546 greater than a year ago, partly due to enlargement of the Toronto studio. This is before deduction of $541,897 depreciation allowance. Studios are operated in Toronto and Montreal, with 50 shops in Ontario and 32 in Quebec, an increase of five shops during the year.

The company's annual meeting is being held Nov. 8, in Toronto.

Income Account
Years Ended Sept. 30

	1937 $	1936 $
Operating profit	289,949	272,114
Less: Exec. salaries ...	51,950	52,130
Legal fees	1,629	167
Prov for deprec. ...	38,140	24,480
Prov. for inc. taxes	48,724	49,000
Add: Inc. from invests.	59,643	60,522
Profit from sale of invests	2,056	21,833
Prof. on sale of equip.	2,357	962
Recov. on mtge. w/o	......	537
Net profit	213,562	230,181
Less: Com. divds.	172,500	172,500
Surplus for year	41,062	57,681
Add: Prev. surp.	1,202,635	1,144,954
Surplus forward	1,243,697	1,202,635

Working Capital

	1937 $	1936 $
Current assets	1,925,811	1,899,693
Current liabilities	59,188	51,182
Working capital	1,866,623	1,848,511

Frost Steel Effects Purchase Agreement

Agreement for sale of Frost Steel & Wire Co. is now in effect, over 90% of the class A and common shares having been deposited for sale at $110 and $12 a share respectively.

The agreement calls for redemption of first preference shares at $107½ with dividends at 7% to the date of redemption. All arrears of dividends on the first preferred are to be eliminated with a payment of $19.25 a share on Nov. 10.

NOTICE

Notice is hereby given that the INSURANCE COMPANY OF NORTH AMERICA has received from the Department of Insurance, Ottawa, Certificate of Registry No. C-524 authorizing it to transact in Canada insurance against loss of or damage to property caused by vehicles, limited to the insurance of the same property as is insured under a policy of fire insurance of the Company, in addition to the classes for which it is already registered.

H. C. MILLS,
Chief Agent in Canada.

NOTICE

Notice is hereby given that the PHILADELPHIA FIRE AND MARINE INSURANCE COMPANY has received from the Department of Insurance, Ottawa, Certificate of Registry No. C-526 authorizing it to transact in Canada Falling Aircraft Insurance, Hail Insurance, Civil Commotion Insurance and insurance against loss of or damage to property caused by vehicles, limited to the insurance of the same property as is insured under a policy of fire insurance of the Company, in addition to the classes for which it is already registered.

H. C. MILLS,
Chief Agent in Canada.

NOTICE

Notice is hereby given that the ALLIANCE INSURANCE COMPANY OF PHILADELPHIA has received from the Department of Insurance, Ottawa, Certificate of Registry No. C-525 authorizing it to transact in Canada Falling Aircraft Insurance and insurance against loss of or damage to property caused by vehicles, limited to the insurance of the same property as is insured under a policy of fire insurance of the Company, in addition to the classes for which it is already registered.

H. C. MILLS,
Chief Agent in Canada.

NOTICE

Notice is hereby given that the NATIONAL SECURITY FIRE INSURANCE COMPANY has received from the Department of Insurance, Ottawa, Certificate of Registry No. C-533 authorizing it to transact in Canada Falling Aircraft Insurance, Limited or Inherent Explosion Insurance, Civil Commotion Insurance and Insurance against loss of or Damage to Property caused by Vehicles, limited to the insurance of the same property as is insured under a policy of fire insurance of the Company, in addition to the classes for which it is already registered.

H. C. MILLS,
Chief Agent in Canada.

Reputation—

THERE IS A TYRANNY WHICH COMPELS MEN WHO DO GOOD WORK TO GO ON DOING GOOD WORK. THE NAME OF THAT BENEFICENT TYRANNY IS REPUTATION.

THERE IS AN INFLEXIBLE LAW WHICH BINDS MEN WHO BUILD WELL TO GO ON BUILDING WELL. THE NAME OF THAT KINDLY RULE IS REPUTATION.

THERE IS AN INSURANCE WHICH INFALLIBLY PROTECTS THOSE WHOSE REASON IS THAT THEY BELIEVE IN A THING AND ITS MAKER. THE NAME OF THAT KINDLY INSURANCE IS REPUTATION.

(FROM THE SCRATCHER)

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"Expense" or "Investment"?

By adopting the Northwestern Mutual plan of fire insurance, business men convert an "expense" into an "investment" paying substantial annual dividends. Last year this mutual company distributed $1,143,727 to policyholders in dividends.

NORTHWESTERN MUTUAL FIRE ASSOCIATION
Non-assessable Policies Assets $6,000,000

BRANCHES ACROSS CANADA
Toronto
Hamilton
Ottawa
Montreal
Quebec City
St. John
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Winnipeg
Saskatoon
Calgary
Edmonton
Victoria
Kelowna
Vancouver

"IT WAS THE OTHER FELLOW'S FAULT"

In most automobile accidents, each driver feels that the "other fellow" is responsible for the damage done.

Few will admit the accident might have been averted if the complaining driver himself had taken due precautions!

Those who have driven safely for years often state "I figure the other fellow will probably do the wrong thing"—and they take no chances!

Only by the individual cooperation of motorists toward the universal application of safe-driving principles can the toll of human life in highway accidents be reduced to a minimum.

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$187.50 up

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JAN. 4—9 days	$110.00 up
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(Incorporated by Royal Charter, 1727)
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Associated Bank:
Williams Deacon's Bank Ltd.

Banking

Bank Loans to Business Continue Upward Trend

September Figures Show Steady Increase of Past Months Maintained — Loans to Municipalities and Call Loans Decline

Bank loans to business during September continued the rise which has been constant since the beginning of the year, monthly return of the chartered banks to Ottawa shows. Deposits increased sharply and The Financial Post credit index based on the ratio of call and current loans in Canada to public deposits gained only a small fraction over the preceding month.

Increased lending to business mainly accounts for the improved loan volume which indicated that chartered bank annual statements may show earnings considerably better than for some years. Dull security markets probably account for the continued decline of call loans. Loans to municipalities were down $3.7 millions indicating further liquidation of advances made earlier in the year against incoming taxes.

Comparative figures on the major factors affecting the Canadian credit situation are as follows:

Use of Bank Credit in Canada
(In millions of dollars)

	September 1937	August 1937	Change	September 1936	Change
Loans	982.3	977.0	+5.3	912.0	+70.3
Investments	1,445.6	1,445.9	—0.3	1,377.9	+67.7
Total	2,427.9	2,422.9	+5.0	2,289.9	+138.0
Deposits	2,288.1	2,264.0	+24.1	2,148.6	+139.5

Cash position of the banks was lower, deposits with the Bank of Canada declining $5.9 millions. Through this fund the Bank of Canada controls the volume of credit in the Dominion, and apart from a slight increase in August, the past five months have shown a downward trend.

Figures as shown in the composite statement of the 10 chartered banks are as follows:

ASSETS

	September, 1937 $	August, 1937 $	Change $	September, 1936 $	Change $
Immediately Available Liquid Assets					
Canadian coin	5,043,443	5,102,920	—59,477	5,320,819	—277,376
Bk. of Can. notes	53,716,466	50,130,788	+3,585,678	47,038,217	+6,678,249
Bk. of Can. depos.	179,361,600	185,259,248	—5,897,648	173,845,599	+5,516,001
Bank's cash	238,121,509	240,492,956	—2,371,447	226,204,635	+11,916,874
Other bank notes	5,112,944	6,477,775	—1,364,831	5,765,756	—652,812
Gold & sub. coin abd.	4,077,895	4,108,759	—30,864	12,057,562	—7,979,667
Foreign banks	97,254,027	99,448,962	—2,194,935	127,151,503	—29,897,476
Foreign curr.	24,176,317	25,360,108	—1,183,791	23,208,284	+968,033
Gov. sec. short term	404,224,252	391,497,345	+12,726,907	393,797,660	+10,426,592
Do., long term	715,548,341	726,747,127	—11,198,786	713,470,291	+2,078,050
Call loans abroad	63,966,296	74,524,801	—10,558,505	60,314,783	+3,651,513
	1,552,481,581	1,568,657,833	—16,176,252	1,561,970,474	—9,488,893
Loans and Securities Other Than Those of Canadian Government					
Municipal secs.	111,873,899	115,605,749	—3,731,850	115,244,108	—3,370,209
Public secs.▲	80,713,529	79,548,438	+1,165,091	55,437,544	+25,275,985
Other secs.	133,270,530	132,550,931	+719,599	101,557,144	+31,713,386
Can. call loans	99,933,164	113,997,829	—14,064,665	104,965,842	—5,032,678
Current loans	770,684,341	747,670,894	+23,013,447	687,836,073	+82,848,268
Loans abroad	172,426,943	159,669,042	+12,757,901	156,028,254	+16,398,689
Prov. loans	20,128,052	19,862,964	+265,088	26,371,644	—6,243,592
Mun. loans	91,648,032	95,384,940	—3,736,908	92,705,840	—1,057,808
	1,480,678,490	1,464,290,787	+16,387,703	1,340,146,499	+140,532,041
Other Assets					
Non-curr. loans	11,611,623	11,701,089	—89,466	13,356,416	—1,744,793
Real estate	8,710,298	8,659,480	+50,818	8,909,674	—199,376
Mortgages	4,239,310	4,248,116	—8,806	4,554,604	—315,294
Premises	74,326,931	74,548,355	—221,424	75,176,183	—849,252
Letters of credit	67,196,172	66,059,572	+1,136,600	63,828,086	+3,368,086
Loans to comp.	11,039,077	11,095,806	—56,729	9,092,198	+1,946,879
Other assets	1,981,167	2,040,932	—59,765	1,750,565	+230,602
	179,104,578	178,353,350	+751,228	176,667,726	+2,436,852
Total	3,212,264,649	3,211,301,970	+962,679	3,078,784,649	+133,480,000
Note circ. dep.	5,975,111	7,025,143	—1,050,032	7,028,148	—1,053,037
Int. bank bal.	121,376,624	108,020,277	+13,356,347	119,022,839	+2,353,785
Gross	3,339,616,384	3,326,347,390	+13,268,994	3,204,835,636	+134,780,748

LIABILITIES

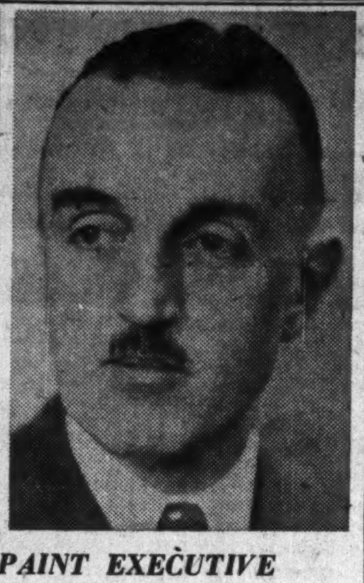
	September, 1937 $	August, 1937 $	Change $	September, 1936 $	Change $
To the Public					
Circulation	108,225,813	110,939,351	—2,713,538	116,282,712	—8,056,899
Dom. Govt.	45,136,007	35,712,172	+9,423,835	80,185,869	—35,049,862
Prov. Govt.	37,976,774	44,708,256	—6,731,482	33,862,821	+4,113,953
Deposits by Public					
Demand dep.	713,627,549	686,448,383	+27,179,166	647,739,862	+65,887,687
Savings dep.	1,574,503,186	1,577,638,802	—3,135,616	1,500,864,504	+73,638,682
Total	2,288,130,735	2,264,087,185	+24,043,550	2,148,604,366	+139,526,369
Foreign dep.	425,153,422	433,620,529	—8,467,107	405,640,225	+19,513,197
Due to Banks Abroad, Etc.					
United Kingdom	13,683,503	13,150,703	+532,800	11,061,490	+2,622,013
Foreign	37,699,635	41,904,640	—4,205,005	30,199,333	+7,500,302
Bills payable	1,217,569	1,230,474	—12,905	1,268,333	—50,764
Letters of credit	67,196,172	66,059,572	+1,136,600	63,828,086	+3,368,086
Other liabs.	2,921,660	2,816,950	+104,710	2,709,741	+211,919
Total public liab.	3,027,341,290	3,014,229,832	+13,111,458	2,893,642,976	+133,698,314
Due bet. banks	14,504,962	14,981,823	—476,861	17,256,408	—2,751,446
Liability to Shareholders					
Dividends	821,743	2,951,298	—2,129,555	800,735	+21,008
Reserve	133,750,000	133,750,000	....	132,750,000	+1,000,000
Capital	145,500,000	145,500,000	....	145,500,000	....
Gross	3,321,917,995	3,311,412,953	+10,505,042	3,189,950,119	+131,967,876
Credit index*	38.0%	38.0%	....	36.9%	1.1%

▲Other than Canadian.
*Ratio of current and call loans in Canada to demand and savings deposits in Canada.

Foreign Exchange

FOREIGN EXCHANGE AT TORONTO AND MONTREAL

Par	1937 Oct. 25	1937 Oct. 26	1937 Oct. 27	1937 Oct. 28	1937 Oct. 29	1937 Oct. 30	1936 Oct. 30
U. S. dollar, High	1.00	1.00	1.00	.99 31/32	.99 31/32	.99 31/32	....
Low	.99 31/32	.99 31/32	.99 31/32	.99 15/16	.99 31/32	.99 15/16	....
1936, High	1.00	1.00	1.00	1.00	.99 15/16	.99 15/16	....
Low	.99 31/32	.99 31/32	.99 31/32	.99 31/32	.99 15/16	.99 15/16	....
U. K. pound	4.95⅛	4.95⅛	4.95¼	4.95 7/16	4.97 7/16	4.96⅛	4.89
Australia	3.96½	3.96½	3.96½	3.96⅞	3.97½	3.94¼	3.90
Austria	.1888	.1888	.1888	.1888	.1888	.1888	.1873½
Belgium	.1687	.1687	.1687½	.1688½	.1691¼	.1692	.1688½
Brazil	.0555	.0570	.0565	.0560	.0560	.0570	.0590
Czechoslovakia	.0350⅜	.0350⅜	.0350⅜	.0350⅜	.0350⅜	.0350⅜	.0354
Denmark	.2210½	.2211	.2211½	.2213½	.2217½	.2216	.2183
France	.0338⅝	.0333⅝	.0335½	.0336¾	.0337⅜	.0337¼	.0465
Germany	.4017½	.4017	.4017	.4017½	.4017½	.4019½	.4021
Greece	.0091	.0091	.0091	.0091	.0091⅛	.0091	.0090
Holland	.5529½	.5529½	.5529½	.5529½	.5529½	.5529½	.5414
Hungary	.1977	.1977	.1977	.1977	.1977	.1979	.1979
India	.3740	.3740	.3745	.3747	.3749	.3751	.3724
Italy	.0526¼	.0526¼	.0526⅛	.0526¼	.0526¼	.0526¼	.0526¼
Japan	.2885	.2885	.2886	.2887	.2890	.2895	.2859
Jugoslavia	.2033½	.0233½	.0233½	.0233½	.0233½	.0233½	.0230
New Zealand	3.99¾	3.99¾	3.99¾	4.00	4.00¾	4.00⅝	3.93¼
Norway	.2488½	.2488	.2489½	.2491½	.2495½	.2494	.2457
Poland	.1892	.1892	.1892	.1893	.1893	....	....
South Africa	4.94¼	4.94¼	4.94½	4.94¾	4.95½	4.95¼	4.86⅛
Sweden	.2553½	.2553	.2554½	.2556½	.2560½	.2559	.2521
Switzerland	.2305¾	.2305½	.2306¼	.2307	.2311	.2312	.2298
Hong Kong	.3098	.3098	.3101	.3101	.3106	.3105	.3048



PAINT EXECUTIVE

Harold Ellis, who has been appointed assistant to the president of Brandram-Henderson Ltd. Mr. Ellis will continue to have charge of the company's advertising matters.

Weekly Bank Clearings

	Oct. 28 1937 $	Change yr. ago %	Oct. 21 1937 $
Halifax	2,510,020	+16.9	2,855,209
Sherbrooke	663,894	+19.9	726,036
Quebec	5,124,240	+20.6	5,840,759
Montreal	111,925,513	+15.4	118,940,958
Ottawa	18,682,701	+2.0	20,588,962
Kingston	611,204	+19.7	709,213
Peterborough	591,626	+10.9	723,358
Toronto	128,311,608	+16.8	124,034,785
Hamilton	6,137,675	+42.3	5,903,340
Kitchener	1,095,432	+11.5	1,292,099
Brantford	1,007,585	+21.1	1,132,363
London	3,178,742	+41.4	3,329,667
Chatham	566,985	+43.1	597,919
Windsor	3,372,165	+37.0	3,538,002
Sarnia	498,963	+36.1	513,420
Sudbury	1,201,120	+16.7	980,885
Saint John	1,849,360	+4.9	1,896,846
Moncton	838,871	+19.7	981,867
Fort William	893,431	+51.3	918,462
Winnipeg	46,923,131	—16.0	54,686,377
Brandon	409,605	+28.1	470,089
Regina	3,376,049	—32.2	3,737,056
Moose Jaw	560,594	—25.5	773,643
Saskatoon	1,389,049	—16.9	1,730,881
Prince Albert	343,823	—2.6	455,996
Edmonton	4,460,855	+14.7	4,752,125
Calgary	7,363,072	+12.1	7,774,827
Medicine Hat	320,886	+11.7	321,099
Lethbridge	652,326	+37.9	620,387
N. W'minster	774,969	+15.6	680,715
Vancouver	18,849,282	+5.9	19,565,665
Victoria	1,549,344	+9.1	1,844,728

Staff Changes

The Royal Bank of Canada announces the following staff changes:

C. R. McLEOD, formerly manager at Penticton, to Kamloops, B.C., as manager.

A. D. McLEOD, formerly manager at Kamloops, to Vancouver, Marpole branch, as manager.

A. E. HOCKLEY, formerly assistant manager at London, to Goderich, Ont., as manager.

G. P. THORNE of Vancouver, Marpole branch, retires on pension.

The Bank of Nova Scotia announces the following staff changes:

T. G. ADAMS, to be manager at Kingston, Ont.

H. B. MACKEAN to be manager at West Saint John, N.B.

D. B. LOVE to be manager at Avonlea, Sask.

A. G. EDMISON to be acting manager at Yonge & Broadway, Toronto.

A. L. ORMISTON to be assistant manager at Saint John, N.B.

Canadian Bank of Commerce announces the following staff changes:

R. G. GILLIES, audit manager at head office, to be manager at Fort Erie North, Ont.

R. E. McANDLESS, manager at Fort Erie North, to be manager at Milton, Ont.

S. WILSON, manager at Milton, Ont., granted leave of absence prior to retiring on pension.

Marketing Wealth Function of Banks

Final Alberta Broadcast Deals With Fallacy of Credit Creation

Nailing more fallacies about banking current in Alberta was the task assumed by Vernon Knowles, public relations adviser to the Canadian Bankers' Association, in his sixth and, for the present, final broadcast to the people of the Social Credit Province.

The broadcaster referred to "the utterly fantastic idea" that a bank can erect an expensive branch office building for nothing by issuing its own notes.

Notes Charged on Assets

"A bank simply cannot, as has been suggested, issue a bunch of specially numbered bills, pay them to contractors and others, and then cancel them when they come back. The bank must give the holder face value for its notes when he presents them. Moreover, there are very definite legal limits on the amount of notes that a bank can issue. A bank's notes are the very first charge upon its assets. Every obligation of a chartered bank is payable in cash."

"Some supposedly great authority is quoted as having said that if all bank loans were paid, all deposits would disappear and there would be no money in existence. It is equivalent to saying that if every sea were drained dry, there would be no ocean liners. If every bank went out of existence tomorrow, there would still be wealth, but the job of marketing that wealth would take us back to the dim, distant days of barter."

Bank Chat

Banks and Radio

Time was when the public went to the bank, humbly and fearfully. Though bank public relations campaigns are now a commonplace both in Canada and the United States, most significant sign of the new day when banks are much less self-confident is the announcement that 25 banks in as many U. S. cities are sponsors for the regular Monday night broadcasts of the Philadelphia Symphony Orchestra.

* * *

Franc Recovery

Recovery of the franc, for which some had almost given up hope, is one of the more startling performances of the world's financial scene the past few weeks.

Sourness of stock markets in most parts of the world is the most obvious reason some of the observers see for the revival of the most ailing of the exchanges. They argue that Frenchmen swung over to the view that if they were going to lose money in foreign markets, they might as well have the obsequies of their wealth on home ground, hence repatriation of capital. Supporting this view is the fact that there has been no material decline in bank balances.

Because the franc stayed firm even after foreign stock markets turned upward again, there appears good ground, however, for the argument that the French Government's announcement that it was done with "new dealing" in the way of the 40-hour week and the enforcement of discipline in industry, did a lot to restore Frenchmen's confidence.

* * *

U. S. Bank Profits

Undivided net profits of United States 15,580 active banks on June 30 last showed an increase of $136 millions over December 31, according to a report of the Comptroller of Currency, just released. These profits showed a gain of $80 millions over June, 1936. Real estate and other loans showed modest gains. Bank deposits were down from December but slightly ahead of June, 1936.

Bank of Canada Weekly Statement

Slight change in the holdings of the Bank of Canada are reported in its current weekly statement. It took on an additional $2 millions in Dominion Government short-term bonds and an additional $1.7 million of "other" securities.

Balance Sheet

	Oct. 27 1937 $	Oct. 20 1937 $
Liabilities		
Capital paid-up	10,100,000	10,100,000
Notes in circ.	160,706,171	162,178,165
Rest fund	743,716	743,716
Depos.: Dominion	31,225,775	32,152,162
Banks	191,631,411	189,123,760
Other	944,162	749,086
Total deposits	223,801,348	222,024,998
All other liabs.	2,414,365	3,048,210
Total liabs.	397,765,600	399,095,069
Assets		
Reserve: Gold	179,532,697	179,510,979
Silver bullion	2,647,501	2,647,087
Res. in sterling and U. S.	26,170,153	30,523,767
Other curr.	679	678
Total reserve	208,351,030	212,682,511
Subsidiary coin	83,468	116,735
Investments:		
Dom. govt. short.	76,281,920	74,396,013
Other Dom. govt.	96,851,154	96,904,044
Other secs.	12,192,401	10,991,270
Total invest.	185,325,475	182,291,327
Premises	860,723	860,637
All other assets	3,144,903	3,143,878
Total assets	397,765,600	399,095,069
Reserve ratio	54.18%	55.21%

AUSTRALIA and NEW ZEALAND.
BANK OF NEW SOUTH WALES
(ESTABLISHED 1817)
(With which the Western Australian Bank & The Australian Bank of Commerce Ltd. are amalgamated)

Paid-up Capital	£8,780,000
Reserve Fund	6,150,000
Reserve Liability of Proprietors	8,780,000
	£23,710,000
Aggregate Assets 30th Sept., 1936	£115,150,000

A. C. DAVIDSON, General Manager.
780 BRANCHES and AGENCIES in the Australian States, New Zealand, Fiji, Papua, Mandated Territory of New Guinea, and London. The Bank transacts every description of Australasian Banking Business. Wool and other Produce Credits arranged.
HEAD OFFICE: GEORGE STREET, SYDNEY.
London Offices:
29, THREADNEEDLE STREET, E.C. 2; 47, BERKELEY SQUARE, W. 1.
Agency arrangements with Banks throughout Canada.

IMPERIAL BANK OF CANADA

BANKERS TO THE CANADIAN PUBLIC

177

BONDS and stock certificates are tokens of ownership so devised as to permit legal transfer from person to person. Since before Confederation this Old Canadian Company has specialized in the engraving and printing of such securities for governments and corporations.

BRITISH AMERICAN BANK NOTE COMPANY
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Vice-Pres. & Man. Dir.

G. HAROLD BURLAND
Sec.-Treas.

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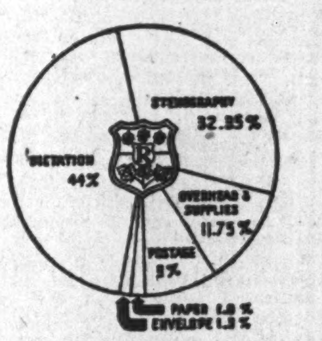

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ROLLAND PAPER
COMPANY LIMITED
HIGH GRADE PAPER MAKERS SINCE 1882
MONTREAL
Branch Office: TORONTO, Ont. Mills at ST. JEROME and MONT ROLLAND, Que.

Position of Chartered Banks of Canada as of September 30th, 1937, Shown by Monthly Returns to Minister of Finance

LIABILITIES

NAME OF BANK	Notes in Circulation $	Deposits by and Bal. Due to Dominion Government $	Deposits by and Bal. Due to Provincial Governments $	Advances from Bank of Canada $	Demand Deposits in Canada $	Savings Deposits in Canada $	Deposits Elsewhere▲ $	Bal. due to other banks in Canada $	Due to Banks in U.K. $	Due to Banks Elsewhere $	Bills Payable $	Letters of Credit outstanding $	Other Liabilities $	Dividends Declared and unpaid $	Reserve Fund $	Capital Paid Up $	Total Liabilities $
Montreal	24,208,297	22,281,939	5,775,580	....	193,445,433	426,475,044	62,941,707	2,821,036	4,114,529	6,136,684	165,505	9,808,906	2,227,895	31,823	39,000,000	36,000,000	835,434,384
Nova Scotia	9,091,216	1,931,991	1,086,841	....	44,218,026	147,402,598	45,776,704	2,084,262	270,740	1,851,289	18,018	5,845,543	90,043	361,494	24,000,000	12,000,000	296,028,770
Toronto	4,033,445	2,781,647	343,632	....	32,185,003	77,713,870	315,007	1,264,085	1,032,345	1,664,860	643,662	1,477,998	....	2,299	9,000,000	6,000,000	138,457,858
Provinciale	3,191,126	147,679	1,133,829	....	8,517,730	38,418,139	136,742	....	....	102,549	....	70,080	12,522	6,059	1,000,000	4,000,000	56,736,459
Commerce	21,879,104	5,915,094	12,153,359	....	163,566,041	307,009,965	64,326,792	2,392,675	2,693,484	9,864,936	14,065	20,926,285	....	24,680	20,000,000	30,000,000	660,766,484
Royal	29,036,565	6,129,975	10,081,209	....	173,470,348	312,394,030	242,816,551	556,530	1,404,112	13,013,431	310,415	22,065,029	58,108	36,417	20,000,000	35,000,000	866,372,727
Dominion	5,668,676	1,868,856	438,303	....	35,321,516	74,071,471	3,991,098	1,940,417	217,900	758,190	....	3,696,201	344,551	176,009	7,000,000	7,000,000	142,493,193
Nationale	5,129,609	896,315	401,575	....	26,126,734	98,970,699	877,378	1,139,311	83,844	770,828	65,904	729,256	182,392	5,950	5,000,000	7,000,000	147,379,800
Imperial	5,647,510	3,124,345	6,562,398	....	34,922,230	87,673,609	332,029	1,640,299	835,644	1,449,821	....	920,322	....	177,012	8,000,000	7,000,000	158,285,224
Barclay's (Canada)	340,265	58,166	48	....	1,854,488	4,373,761	3,639,414	666,347	3,030,905	2,087,047	....	1,656,552	6,100	....	750,000	1,500,000	19,963,096
Total	108,225,813	45,136,007	37,976,774	....	713,627,549	1,574,503,186	425,153,422	14,504,962	13,683,503	37,699,635	1,217,569	67,196,172	2,921,611	821,743	133,750,000	145,500,000	3,321,917,995

SUPPLEMENTARY INFORMATION

NAME OF BANK	Capital Authorised $	Capital Subscribed $	Last Dividend %	*Loans to Directors and firms of which they are partners $	Average Notes and deposits with Bank of Can. $	Greatest amount of Notes in Cir. $
Montreal	50,000,000	36,000,000	8	902,987	68,683,866	25,110,717
Nova Scotia	15,000,000	12,000,000	12	3,222,783	19,940,000	10,798,130
Toronto	10,000,000	6,000,000	10	1,650,242	12,011,558	4,458,615
Provinciale	5,000,000	4,000,000	6	189,049	6,341,941	3,377,726
Commerce	50,000,000	30,000,000	8	3,294,793	47,608,030	23,618,075
Royal	50,000,000	35,000,000	8	1,562,277	48,204,355	31,522,939
Dominion	10,000,000	7,000,000	10	1,137,021	8,376,701	5,976,446
Nationale	10,000,000	7,000,000	8	90,225	10,173,470	5,236,184
Imperial	10,000,000	7,000,000	10	608,423	12,491,680	5,850,088
Barclay's (Canada)	1,500,000	1,500,000	..	2,935	819,430	397,540
Total	211,500,000	145,500,000	....	12,660,735	234,651,031	116,346,460

▲Of this amount $45,903,926 represents deposits in Canada in currencies other than Canadian, carried under demand and savings deposits in Canada prior to Aug., 1935. *And loans for which they are guarantors.

ASSETS

NAME OF BANK	Gold and Subsidiary Coin Held in Canada $	Gold and Subsidiary Coin Held Elsewhere $	Notes of Bank of Canada $	Deposits with Bank of Canada $	Notes of other Banks $	Govt. and Bank Notes other than Canada $	Cheques on other banks $	Balances due from other banks in Canada $	Due by banks in U.K. $	Due by banks elsewhere $	Govt. sec. short term $	Govt. sec. long term $	Canadian municipal securities $
Montreal*	992,793	97,093	16,309,238	54,615,124	1,382,190	596,927	29,278,783	1,058	1,477,966	12,474,815	139,986,741	219,735,019	37,111,986
Nova Scotia	350,967	1,218,815	4,212,967	14,724,228	334,029	3,617,204	11,395,292	....	804,993	9,303,242	26,633,961	61,976,487	12,576,244
Toronto	230,911	....	2,558,352	9,277,372	204,500	115,153	5,596,703	....	249,871	2,005,289	11,681,879	40,312,412	7,947,303
Provinciale	227,887	....	1,308,113	4,901,414	221,440	89,305	1,830,019	1,307,821	10,648	133,505	1,354,625	10,699,249	9,733,500
Commerce†	862,138	242,308	6,722,701	40,345,272	712,330	990,590	22,141,197	1,340	925,919	17,299,425	101,482,281	123,086,314	9,608,695
Royal‡	1,275,464	2,518,704	10,600,057	37,347,192	1,194,790	18,368,443	28,042,742	1,574	17,421,768	26,134,254	94,691,753	156,616,829	10,785,663
Dominion	245,898	553	3,221,105	3,856,318	302,800	149,535	7,316,183	....	308,270	1,038,542	7,136,207	36,308,407	5,073,165
Nationale§	527,101	422	3,585,674	6,967,185	447,280	107,554	4,570,148	821,445	32,456	1,671,459	5,079,391	23,056,848	14,829,618
Imperial	327,952	....	5,107,833	6,781,391	308,785	134,158	6,103,210	611,828	470,100	1,676,134	12,782,065	38,940,372	4,190,530
Barclay's (Can.)	2,432	....	90,426	546,104	4,800	7,448	680,586	1,676,695	2,595,269	1,220,102	3,395,349	4,816,404	17,195
Total	5,043,443	4,077,895	53,716,466	179,361,600	5,112,944	24,176,317	116,954,863	4,421,761	24,297,260	72,956,767	404,224,252	715,548,341	111,873,899

NAME OF BANK	Public sec. other than Can. $	Other bonds and stocks $	Call loans in Canada $	Call loans elsewhere $	Current loans in Canada $	Current loans elsewhere $	Loans to provincial governments $	Loans to municipalities $	Non-Current loans $	Real estate other than Bank premises $	Mortgages on real estate $	Bank Premises $	Deposit for note circulation $	Other assets $	Total assets▲ $
Montreal*	17,898,942	39,024,728	8,200,984	27,594,317	152,727,192	17,219,033	1,139,742	30,183,777	2,357,443	635,891	599,651	14,000,000	1,350,011	1,733,771	838,534,133
Nova Scotia	1,326,622	13,834,958	9,604,448	3,220,829	84,559,862	14,685,437	1,408,749	5,423,308	596,347	....	108,506	6,432,487	524,064	2,722,608	297,437,211
Toronto	1,040,519	3,887,175	4,236,038	....	41,503,599	....	....	3,965,449	123,490	....	41,049	3,409,209	223,387	....	140,182,868
Provinciale	....	2,575,538	5,253,851	....	12,321,538	....	68,237	1,420,580	91,969	682,065	348,222	2,102,917	176,530	151,156	57,060,220
Commerce†	28,265,692	25,140,892	21,473,139	16,561,816	148,337,101	24,787,722	7,500,055	18,751,496	3,731,621	2,657,588	1,535,078	14,932,661	1,220,000	3,988,611	684,300,280
Royal‡	31,817,091	35,340,253	25,909,138	12,652,616	181,363,280	114,912,394	3,104,831	10,564,759	3,615,874	2,913,753	738,686	15,298,921	1,550,000	3,781,351	870,627,224
Dominion	....	3,550,637	8,508,360	3,851,718	50,338,057	786,852	....	760,953	323,229	98,517	36,357	5,757,228	332,325	192,916	143,190,345
Nationale§	174,631	9,784,445	9,024,396	85,000	43,418,994	35,505	850,040	14,327,701	337,668	1,517,792	392,348	5,804,015	259,620	276,930	148,714,934
Imperial	....	131,904	6,865,010	....	54,404,501	....	6,056,398	6,250,009	423,344	204,692	384,413	6,049,493	306,337	149,776	159,580,565
Barclay's (Can.)	190,032	....	857,800	....	1,710,217	....	....	....	10,638	....	....	450,000	17,837	23,010	19,968,804
Total	80,713,529	133,270,530	99,933,164	63,966,296	770,684,341	172,426,943	20,128,052	91,648,032	11,611,623	8,710,298	4,239,310	74,326,931	5,975,111	13,020,129	3,339,616,384

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*The business of the Bank in Paris, France, and in San Francisco, U.S.A., is carried on under the name of a local incorporated company and the figures are incorporated in the above statement.—Footnote to Bank of Montreal return.

†The Canadian Bank of Commerce (California) has been incorporated under the laws of the State of California to conduct the business of the Bank in that State and the assets and liabilities of the Canadian Bank of Commerce (California) are included in the above general statement.—Footnote to Canadian Bank of Commerce return.

‡The Royal Bank of Canada (France) has been incorporated under the laws of France to conduct the business of the bank in Paris, and the assets and liabilities of the Royal Bank of Canada (France) are included in the above general statement. — Footnote to the Royal Bank return.

§The assets and liabilities of the Banque Canadienne Nationale, France, same being considered a branch operating as a subsidiary of the Banque Canadienne Nationale, are included in above return. — Footnote to Banque Canadienne Nationale return.

▲Total assets include $67,196,172 letters of credit outstanding as shown in liabilities.

STOCK AND BOND MARKET QUOTATIONS

Montreal, Toronto, Curb

The following table is confined to official prices for listed stocks. Where no recent transaction is recorded, bid and asked prices are given. For unlisted stocks, quotations by unlisted dealers are published. The Financial Post cannot accept any responsibility for such quotations.

WEEK ENDING NOVEMBER 1

Range 1937 High	Low	Div. R'te $	Oct.30 Y'ld %		Sales	Last Oct. 25	Week end. Nov. 1 H	L	Cl'se
				A					
[illegible]	[illegible]	.	...	Abitibi	10698	3	3½	2¾	3
60	17½	.	...	Do. pref. 6%	6660	24½	26½	23½	24
97	60	.	...	Do. pref. 7%	....	(30 bid 40 asked)			
79½	17	.	...	Do. cert. dep.	....	(22½ Oct. 20)			
[illegible]	21	100	...	Acadia Sugar	....	(2½ bid — asked)			
[illegible]	9	50c	5.5	Acme Glove	....	(— bid 9 asked)			
[illegible]	75	6.50	7.7	Do. pref.	....	(— bid 75 asked)			
12	[illegible]	60+20c	8	Agnew Surp.	10	10	10	10	10
110	103½	7	6.7	Do. pref.	10	106	104	104	104
7	[illegible]	.	...	Alta. Pac. Gr.	....	(2½ bid 2¾ asked)			
45½	[illegible]	.	...	Do. pref.	25	10	13	10	13
135	75	.	...	Aluminum	....	(69 bid 71 asked)			
130	118	6+7.75a	...	Do. pref.	100	130	118	118	118
[illegible]	[illegible]	.	...	Amal. Electric	....	(— bid 5 asked)			
[illegible]	[illegible]	.	...	Do. pref.	220	25	25	25	25
[illegible]	[illegible]	90c+$1	...	Amer. Cyn. B.	....	(25 bid — asked)			
[illegible]	40	.	...	Asbestos	3004	56	59	53½	58
[illegible]	[illegible]	80c	6.4	Assoc. Brew.	25	12½	12½	12½	12½
[illegible]	109	7	6.4	Do. pref.	....	(110 bid — asked)			
[illegible]	[illegible]	.	...	Assoc. T. & T.A.	....	(— bid 6½ asked)			
87	27½	1.40+$10	...	Do. pref.	....	(41 Sept. 11)			
108½	100	6.50	6.0	Ault & Wiborg pf.	....	(100 bid 101 asked)			
				B					
[illegible]	[illegible]	2.50	[illegible]	Bank of Canada	144	57	58	56½	58
[illegible]	[illegible]	[illegible]	[illegible]	Bk. Can. Nat.	81	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	Bk. Montreal	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	12	4.2	Bk. N. Scotia	[illegible]	300	300	300	300
[illegible]	[illegible]	10	4.2	Bk. Toronto	73	250	248	240	240
[illegible]	[illegible]	.	...	Barcelona	....	(5 bid 7½ asked)			
[illegible]	[illegible]	86c	10.6	Barker's Bread	....	(6 bid 10 asked)			
[illegible]	[illegible]	2.50	6.9	Do. pref.	....	(36 bid 45 asked)			
[illegible]	[illegible]	.	...	Bathurst Pr.	4172	11½	13	11½	12
[illegible]	[illegible]	.	...	Do. (B)	280	4½	5¼	5	5½
[illegible]	[illegible]	.	...	Bawlf Grain	....	(1½ bid — asked)			
[illegible]	[illegible]	.	...	Do. pref.	....	(17 Sept. 8)			
[illegible]	10	.	...	Beath & Sons	....	(1½ bid 2 asked)			
[illegible]	12	.	...	Beatty Bros. A.	220	14	15½	15	15
113	99	6	5.9	Do. pref.	20	102½	102½	102	102
105	95	7	7	Do. 2nd pref.	....	(— bid 100 asked)			
10	4	.	...	Beauharnois	8717	5¾	7¾	6¾	7½
107	100	4	3.8	Belding Cort.	....	(— bid 107 asked)			
130	123½	7	5.6	Do. pref.	....	(125 Sept. 23)			
178	154	8	4.9	Bell Telephone	814	161	165	161	165
16½	9	25c	...	Biltmore Hats	100	9	9	9	9
110	109½	7	6.4	Do. pref.	....	(100 bid 120 asked)			
13	8½	.	...	Bissell, T. E.	....	(— bid 6 asked)			
70	40	.	...	Do. pref.	15	45	60	50	60
6½	4	.	...	Blue Ribbon	....	(— bid 6½ asked)			
40	30	2	6.2	Do. pref.	100	32	36	32½	36
29½	23	1.30	5.4	Brant. Cord. pf.	30	24	23½	23½	23½
30½	14½	90c	...	Brazilian Tr.	16072	17½	18½	16½	17½
9½	4½	2.40+10	.	Brew. & Distil.	88	5	6	5½	5½
6½	6	30c	5	Bright, T. G.	50	6	6	6	6
†82	75½	6		Do. pref.	....	(75 bid 80 asked)			
26½	16	1+20c	5.7	Brit. Amer. Oil	4625	20½	21½	20½	21½
22	10	.	...	B. C. Packers	11	11	11	10½	10
39½	29	2	5.6	B. C. Power A.	846	32½	35½	34	35
11½	4½	.	...	Do. (B)	635	5½	6½	6	6½
12	2	.	...	Bruck S. Mills	540	4½	4½	4	4½
74½	40	2+75c	..	Building Prod.	235	42	45	42	45
19	13½	60c	4.1	Burlington Steel	150	14½	14½	14½	14½
8	2½	25c	...	Burry Biscuit	....	(3 bid 3½ asked)			
60	35	3	7.5	Do. pref.	150	36	40	36	40
44½	30	2	6.2	Burt, F. N.	32	33	35	32	35
				C					
105	100	.	...	Calgary Power	....	(85 bid 100 asked)			
92	79	6	7.4	Do. pref.	....	(81 Sept. 14)			
10½	3½	.	...	Canada Bread	25	4	4	4½	4½
103½	99½	5	5	Do. pref.	....	(— bid 100 asked)			
59½	47	2.50+25ca	5	Do. pref. B.	....	(— bid 48 asked)			
10½	7	80c	...	Canada Bud	235	8½	8½	8	8
23	7¾	.	...	Canada Cement	1417	9½	10½	9½	9¾
116½	85	3.25	...	Do. pref.	266	94	96	95	95½
82½	60	1.50+2	5.8	C. & D. Sugar	....	(— bid 67½ asked)			
b38½	9½	.	...	Canada Dry	41900	13½	16½	12½	15¾
20¾	10	.	...	Can. Forg. (A)	20	13	14¾	14¾	14¾
18	14	.	...	Do. (B)	....	(— bid 13 asked)			
35	30	.	...	Can. Iron	1	30	35	35	35
72	66½	4	...	Do. pref.	....	(70½ bid — asked)			
39	30½	1.50+50c	6	Can. Malting	315	34	34½	33½	33½
29½	16½	1.20	6	Can. Nor. Pr.	260	18	20	19	20
112	108	7	6.4	Do. pref.	25	109	110	108	109½
98	66	3	4	Can. Packers	61	70½	74	70	74
7	1½	.	...	Can. Paving, pf.	....	(1½ bid 6 asked)			
160	140	8	5.5	Can. Perman.	67	145	146½	144	146
25	6½	6	...	Can. Starch	100	6½	6½	6½	6½
105	105	7	6.7	Do. pref.	....	(105 Apr. 22)			
7	2	.	...	Can. Steamsh's	378	3½	3½	3	3½
18	8½	.	...	Do. pref.	700	10	11½	10	10½
21	16	1.20	7.2	Can. Vinegars	40	17	18	17	18
79	50	.	...	Can. W. Cable	50	65	60	60	60
34	19	.	...	Do. (B)	460	20	23	20	23
118	114	6a	...	Do. pref.	....	(116 Apr. 13)			
6½	3	.	...	Can. Bakeries	25	3	3	3	3
73	47	.	...	Do. pref.	....	(— bid 40 asked)			
211	159	8	4.9	Can. Bk. Com.	262	165	165	162	163
4½	1½	.	...	Can. Breweries	2335	1½	1½	1½	1½
23½	12	2	12.5	Do. pref.	110	15	16½	15½	16
61½	35	1.50+75c	.	Can. Bronze	146	37	38½	36½	36½
110	101	5	4.8	Do. pref.	10	101	105	105	105
9½	3	.	...	Can. Canners	305	5½	6	5½	5¾
20½	17	1	5.6	Do. 1st pfd.	55	17½	17¾	17¾	17¾
12½	6½	60c	6	Do. 2nd pfd.	760	8½	10	9½	9¾
21½	[illegible]	.	...	Can. Car & Fd'y	7050	[illegible]	11	9	10½
33	[illegible]	1.75+50c	[illegible]	Do. pref.	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
31	[illegible]	1.00	[illegible]	Can. Celanese	735	[illegible]	[illegible]	[illegible]	[illegible]
126	108	7	6.5	Do. pref.	100	109	108	108	108
[illegible]	[illegible]	.	...	Do. rights	....	(10 bid — asked)			
[illegible]	[illegible]	.	...	Can. Convert	....	(11 bid 15 asked)			
[illegible]	[illegible]	4	[illegible]	Can. Cottons	....	(80 bid 90 asked)			
109½	105	6	[illegible]	Do. pref.	....	(107 bid — asked)			
47	[illegible]	2+1	[illegible]	Can. Dredge	90	[illegible]	[illegible]	[illegible]	[illegible]
103	101	6	[illegible]	Can. Fairb., pf.	....	(100 bid — asked)			
33	17	1.00+40c	[illegible]	Can. For. Inv.	5	20	20½	20½	20½
107	[illegible]	[illegible]	[illegible]	Do. pref.	....	(108 bid — asked)			
340	[illegible]	[illegible]	[illegible]	Can. Gen. Elec.	....	(— bid 100½ asked)			
[illegible]	[illegible]	80c	6.0	Can. G. Inv.	....	(7½ Oct. 20)			
[illegible]	[illegible]	.	...	Can. Ind. Alc.	1000	4¾	5½	4¾	5½
[illegible]	[illegible]	.	...	Do. (B)	1365	5½	[illegible]	5½	[illegible]
249	200	8.75	[illegible]	Can. Indust. B.	15	200	200	200	200
160	[illegible]	7	4.6	Do. pref.	5	151	150	150	150
[illegible]	[illegible]	.	...	Can. Int. I. Tr.	....	(1 bid 11 asked)			
[illegible]	[illegible]	[illegible]	[illegible]	Do. pref.	....	(80 bid 88 asked)			
99	70	[illegible]	7.5	Can. Lt. & Pr.	....	(16 Sept. 21)			
21	[illegible]	.	...	Can. Locomo.	122	[illegible]	[illegible]	[illegible]	[illegible]
23½	[illegible]	.	...	Can. Marconi	6395	[illegible]	[illegible]	[illegible]	[illegible]
19	10	80c	4.2	Can. Oil	....	(11 bid 18 asked)			
135	112	8	7.2	Do. pref.	30	118	112	112	112
17½	[illegible]	.	...	Can. Pacific	6900	[illegible]	[illegible]	[illegible]	[illegible]
7¾	[illegible]	.	...	C. Pr. & Pa. In.	25	[illegible]	[illegible]	[illegible]	[illegible]
27½	[illegible]	.	...	Do. pref.	11	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	.	...	Can. Vickers	970	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	.	...	Do. pref.	90	[illegible]	[illegible]	[illegible]	[illegible]
65	[illegible]	.	...	C. Wallpaper A	....	(10 bid 20 asked)			
[illegible]	[illegible]	.	...	Do. (B)	....	(10 bid 20 asked)			
87	[illegible]	[illegible]	[illegible]	Can. West'ho'se	....	(62 Aug. 14)			
[illegible]	[illegible]	.	...	Can. Wineries	675	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	1.50+1a	[illegible]	Can. Wire Box	250	[illegible]	[illegible]	[illegible]	[illegible]
8.00	3.00	.	...	Capital Estates	200	3.25	4.50	3.50	4.50
[illegible]	[illegible]	[illegible]	[illegible]	Carnation, pfd.	....	(98½ bid 100 asked)			
[illegible]	[illegible]	[illegible]	[illegible]	Catelli Food	....	[illegible]			
[illegible]	[illegible]	75c	7.5	Do. pref.	....	[illegible]			
[illegible]	[illegible]	.	...	Celtic Knit	....	(1.00 bid 1.25 asked)			
175	[illegible]	[illegible]	[illegible]	Cent. Can. L'n	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	.	...	Chem. Research	800	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	.	...	City Gas & El.	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	.	...	Claude Neon	1400	[illegible]	[illegible]	[illegible]	[illegible]
14.12	11.75	1.00	[illegible]	Coast Brew.	65	12.50	14.00	12.75	14.00
[illegible]	[illegible]	.	...	Cockshutt Plow	5145	[illegible]	[illegible]	[illegible]	[illegible]
4.00	1.00	.	...	Comm. Alcohol	1625	1.70	2.00	1.70	1.90
[illegible]	[illegible]	.	...	Do. pref.	200	[illegible]	[illegible]	[illegible]	[illegible]
23	16	1+20c	7.2	Cons. Bakeries	230	16	16½	16½	16½
[illegible]	[illegible]	.	...	Cons. Paper	33453	[illegible]	[illegible]	[illegible]	[illegible]
22	[illegible]	.	...	Cons. Press	20	15	15½	15	15
60	47	.	...	Cons. Sand, pf.	....	(58 bid 65 asked)			
100½	45	50c+$1	...	Cons. Smelters	15713	57½	59	53	57
211	182	10	5	Consumers' Gas	357	185	199½	193½	195½
[illegible]	[illegible]	7	7.4	Corr. P. Box, p.	....	(— bid 91 asked)			
27½	20	1	4.7	Cosmos Imp.	150	21½	21½	21½	21½
105½	103	5	4.8	Do. pref.	....	(103½ bid 105 asked)			
22	18	80c	4.1	Crown Cork	....	(14½ bid — asked)			
[illegible]	[illegible]	.	...	Crown Dom. Oil	....	(2 bid 2½ asked)			
80	60	8	...	Crow's N. Coal	....	(32 bid 40 asked)			
				D					
[illegible]	4	.	...	David & Fre. A.	....	(3½ bid — asked)			
[illegible]	[illegible]	.	...	Do. (B)	....	(— bid 2 asked)			
[illegible]	[illegible]	.	...	De Havilland	20	10	8	8½	8½
[illegible]	65	.	...	Do. pref.	....	(— bid 60 asked)			
[illegible]	[illegible]	.	...	Disher Steel	....	(3½ bid 4 asked)			
10	9	.	...	Do. pref.	....	(8 bid 12½ asked)			
[illegible]	[illegible]	.	...	Distill-Seagrams	9955	14½	15¾	13½	15¾
[illegible]	[illegible]	[illegible]	6.9	Do. pref.	55	66½	75	71	72½
[illegible]	[illegible]	.	...	Dom. Ang. Inv.	....	(— bid 90 asked)			
95	95	.	...	Do. pref.	....	(90 bid — asked)			
250	199	10	5	Dom. Bank	65	206½	206	199	202
58½	24	1.20	3.8	Dom. Bridge	1225	31	33	30½	31
24	15	1.50	8.1	Dom. Coal, pf.	525	17½	19	18	18½
73	43	.	...	Dom. Engineer.	....	(— bid 55 asked)			
43½	24	50c	...	Dom. Foundries	290	30	30	27	30
100	97½	6	6.1	Do. pref.	....	(98 Oct. 23)			
118	100	5	5	Dom. Glass	20	110	100	100	100
153	138	7	4.8	Do. pref.	30	138	145	139	144
43½	40	.	...	Dom. Oilcloth	....	(34 bid — asked)			
105	105	7	6.7	Dom. Rubber, p.	....	(85 bid — asked)			
5	3½	.	...	Dom. Scot. Inv.	....	(2 bid 3½ asked)			
44	38	2.50	...	Do. pref.	....	(33 bid 38½ asked)			
28½	10	.	...	Dom. St. & C. B.	25851	14½	15¾	13½	14½
12½	6	.	...	Dom. Stores	20	6	6½	6½	6½
18½	6	.	...	Dom. Tar & Ch.	1031	7	8	7¾	8
91	83	5.50	6.5	Do. pref.	20	85	85	84	85
86	70	5	6.7	Dom. Textile	29	72	75	75	75
149	135	7	5.2	Do. pref.	....	(135½ bid — asked)			
18½	5	.	...	Donnacona P. A.	1060	8½	9½	7½	9
19	5	.	...	Do. (B)	400	7	7½	7½	7½
30	8½	.	...	Dryden Paper	2050	9½	9½	9	9½
				E					
7	1½	.	...	East. Koot. Pr.	....	(1½ bid — asked)			
36	8	.	...	Do. pref.	....	(5 bid 13 asked)			
6.00	1.25	.	...	East. Dairies	105	1.25	1.25	1.25	1.25
30	4	.	...	Do. pref.	5	6	6	6	6
24	12	.	...	East. Steel	....	(18 bid 18½ asked)			
110	100	7	7	Do. pref.	....	(100 bid 109 asked)			
75	60	7	10.8	East. Theat. pf.	....	(56½ bid — asked)			
8½	4	.	...	Easy Washing	....	(4½ bid 5 asked)			
38	30	2	...	Economic Inv.	....	(30 bid 35½ asked)			
24	13½	1.60+30c	...	Electrolux	975	16	15½	15	15
8½	3	.	...	Enam. & Heat.	145	2	3½	3	3
40	28	62½c	...	English Electric	39	30	30	29½	29½
16½	10		...	Do. (B)	10	12	10	10	10
8	5		...	Equitable Life	100	7	8½	8½	8½
10½	7½	30c	...	European El. A.	....	(6½ bid 8½ asked)			
.65	.65	.	...	Do. Warrants	....	(.15 bid — asked)			
				F					
13	3	.	...	Fairchild Air	1201	4½	5½	4½	5½
35	24	.	...	Fam. Players	....	(18 bid — asked)			
34	22	.	...	Do. Vot. Tr.	....	(22 bid — asked)			
25½	18½	75+25c	...	Fanny Farmer	1844	20	21½	20	21½
10½	10	.	...	Fleet Aircraft	....	(— bid 6 asked)			
29½	14½	1	5.5	Ford Motors A.	3932	18½	18½	17½	18½
2.50	.95	.	...	For. Pr. Secs.	....	(.75 bid .95 asked)			
31	9	.	...	Foundation Co.	1015	12	13	12	13
30	12½	.	...	Fraser Cos.	706	18	18½	17	18
30	13½	.	...	Do. Vot. Tr.	11251	18½	19½	17½	19½
52	38	.	...	Freiman, pf.	100	38	38	38	38
11½	6	.	...	Frost Steel	....	(10½ bid 11½ asked)			
126	100	7+10.25a	...	Do. pref.	2407	119	126	120	126
55½	40	.	...	Do. pref. (A)	....	(55 bid — asked)			
				G					
14	4¾	.	...	Gatineau Pr.	3749	8	10½	7½	10½
75	55	.	...	Do. pref.	953	65	70½	65	69
16½	6	.	...	Gen. St. Wares	3046	9½	10½	9½	10
110	77	.	...	Do. pref.	90	79	81	79	81
97½	72½	2.50+2.50	...	Goodyear Tire	71	81	81	81	81
57	53½	2.50	4.6	Do. pref.	380	53	54½	53	54½
[illegible]	7	.	...	Gt. Lakes Pap.	866	12½	15	12½	15
[illegible]	23½	.	...	Do. pref.	1166	32	37½	32	37
[illegible]	[illegible]	.	...	Gt. W. Sadd'y	....	(2 bid 3 asked)			
40	18	.	...	Do. pref.	....	(— bid 20 asked)			
16½	7	.	...	Gurd, Chas.	240	8½	9	8½	9
108	95	7	6.7	Do. pref.	....	(105 bid — asked)			
16½	5½	.	...	Gypsum, Lime.	1653	7½	8	7½	7½
				H					
22½	22½	1	4.4	Halifax Fire	....	(22½ Oct. 15)			
16½	6	.	...	Ham. Bridge	445	7	9½	7	9
90½	54	.	...	Do. pref.	55	56½	57	54	57½
40½	30	2	6.7	Ham. Cot., pf.	....	(32 bid 35½ asked)			
3½	1	.	...	Ham. U. Theat.	....	(1½ bid 1½ asked)			
60	55½	6	9.5	Do. pref.	....	(— bid 37 asked)			
7	3½	20c	...	Harding Carpet	200	3½	3½	3½	3½
5	2½	.	...	Hillcrest Coll.	....	(2 bid — asked)			
25	15	.	...	Do. pref.	....	(— bid 24 asked)			
22½	14	1	5.9	Hinde & Dauch	485	17	17	16½	17
20	14	.	...	Holt Renfrew	....	(20 bid — asked)			
76	56	.	...	Do. pref.	....	(— bid 75 asked)			
1.75	.40	.	...	Honey Dew	....	(.45 bid .50 asked)			
15	7½	.	...	Do. pref.	....	(6½ bid 11½ asked)			
24½	13	.	...	H. Smith Pap.	1095	18½	17½	16	17½
106	96	6	6.1	Do. pref.	82	100	100	98	98
32½	25	2	7.9	Humberstone S.	75	27½	26½	25	25
19	11	.	...	Hunts (A)	....	(11 bid 12 asked)			
18	11½	.	...	Do. (B)	....	(11 bid 15½ asked)			
95	68	4	5.7	Huron & E. Mt.	20	70	70	68	68
15½	9½	.	...	Do. 20% pd.	5	10	9½	9½	9½
13½	5½	.	...	Hydro Electric	....	(5 bid 6 asked)			
				I					
251½	200	10	4.9	Imperial Bank	27	201	205	200	200
24¾	14½	50+75c	6.7	Imperial Oil	11826	18½	19	18½	18½
15½	12	40+22½c	...	Imperial Tob.	4884	13½	13½	13	13½
7½	7	6%	...	Do. pref.	190	7½	7	7	7
38½	24½	1.50+12½c	...	Indust. Accept.	80	26	26½	25½	26½
30½	25	1	...	Inter-City Bak.	10	25	25	25	25
46	37½	5+7		Inter'c Coal	....	(35 bid 43 asked)			
130	125	8	6.4	Do. pref.	....	(125 bid — asked)			
.20	.20	.	...	Int. Coal & Co.	....	(.10 bid .20 asked)			
b16½	3	.	...	Int. Hyd. E. A.	43000	6½	8½	5¾	7½
18½	7	.	...	Int. Metal Ind.	274	8	10	9	9½
108	75	1.50		Do. pref.	....	(80 bid 89 asked)			
105	97	5	5.1	Int. Mill., pf.	15	97¾	98	97½	98
73½	39½	2+25c	4.8	Int. Nickel	49957	46½	48	45	46¾
11	3	.	...	Int. Paints	85	3¾	4	4	4
20	12	.	...	Do. pref.	....	(13 bid 17 asked)			
b19½	7½	.	...	Int. Pap. & P.	72100	10¾	14½	9¾	13¾
b68½	36½	.	...	Do. (B)	38900	45¾	54	42½	51¾
39½	23½	1.50+1	6.1	Int. Pete.	10044	30½	31	30	31
12½	4	.	...	Int. Power	85	4½	4½	4½	4½
98	76	6	7.9	Do. pref.	18	77	76¾	76	76
†15½	12	1.12		Int. St. Rly. A.	....	(— bid 15½ asked)			
21½	7	.	...	Int. Util. (A)	25	7	9	9	9
3.12	.65	.	...	Do. (B)	125	1.05	1.05	.95	1.05
				J					
38	34½	1.75	...	Jam. Pub. Ser.	....	(34 bid — asked)			
132	130	7	5.4	Do. pref.	....	(130 July 2)			
				K					
39	11½	1	...	Kelvinator	75	13½	13½	13½	13½
108	100	7	6.6	Do. pref.	....	(106 bid — asked)			
				L					
87	40	.	...	L. St. John Pr.	490	45	45	44	44
27	9	.	...	Lake Sulphite	925	14	15	14	14
43½	10	.	...	Lake of Woods	415	15	17	17	17
156	143	7+7a	4.8	Do. pref.	....	(— bid 146 asked)			
75	55½	5	8.3	Landed Bank	5	60	60	60	60
22	12	70c	5.4	Lang, J. A.	245	13	13	13	13
6	4½	.	...	Langley's	....	(— bid 4½ asked)			
65	30	.	...	Do. pref.	30	35	34	30	30
77	58	3	4.6	Laura Secord	15	65	65	65	65
15	4	.	...	Lindsay, C. W.	....	(3 bid 8 asked)			
78	66	.	...	Do. pref.	....	(— bid 72 asked)			
25½	22	1+12½c	4.7	Loblaw (A)	1799	23½	24	23½	24
23½	19½	1+12½c	5.2	Do. (B)	1450	20	21½	20	21½
				M					
1.80	.75	.	...	Mackenzie Air.	....	(.50 bid .75 asked)			
9	8	.	...	MacKin. Steel	....	(5 bid — asked)			
[illegible]	60	.	...	Do. pref.	....	(60 bid — asked)			
37½	18½	.	...	Maclaren Pr. p.	1162	18½	24	20	24
[illegible]	[illegible]	.	...	M. L. Gardens	....	(2 bid 5 asked)			
[illegible]	[illegible]	50c	...	Do. pref.	120	4½	5	5	5
11	1	.	...	Maple Leaf	415	3½	3½	3½	3½
[illegible]	[illegible]	.	...	Do. pref.	20	3½	3½	3½	3½
17	15½	80+10c	...	Maritime Tele.	....	(5½ June 25)			
[illegible]	18	70c	4.3	Do. pref.	....	(16½ Oct. 23)			
[illegible]	[illegible]	.	...	Marcus Loew's	....	(— bid 20 asked)			
[illegible]	115	7a	...	Do. pref.	20	120	115	115	115
[illegible]	4½	.	...	Massey-Harris	5735	6¾	7½	6½	7
[illegible]	[illegible]	.	...	Do. pref.	741	40	45	40	44
[illegible]	8½	40c	3.8	McColl Fron.	2552	11	10½	9½	10½
101	84	6	6.7	Do. pref.	176	88	89½	88	88
[illegible]	[illegible]	.	...	Do. rights	5654	..	.11	.08	.10
[illegible]	[illegible]	.	...	Melchers	133	2½	3	2	3
[illegible]	[illegible]	30c	...	Do. pref.	267	6½	6½	6½	6½
[illegible]	[illegible]	.	...	Mercury Mills	....	(2 bid 10 asked)			
40	17	.	...	Do. pref.	30	17	17	17	17
[illegible]	[illegible]	.	...	Mitchell, J. S.	....	(50 bid — asked)			
110	110	[illegible]	...	Do. pref.	....	(112 bid — asked)			
[illegible]	7½	.	...	Mitchell, Robt.	1026	9½	12½	10	12
[illegible]	[illegible]	.	...	Monarch Knit.	....	(— bid 4½ asked)			
[illegible]	80½	7+1a	13.9	Do. pref.	....	(— bid 59½ asked)			
50	38	2	4.4	Montreal Cot.	15	45	45	45	45
110	100	7	7	Do. pref.	23	100	105	100	105
[illegible]	[illegible]	.	...	Mont. Is. Pr.	....	(1 bid 2 asked)			
[illegible]	28½	1.50	4.9	Mont. L. & Pr.	3776	29½	30½	29½	30½
[illegible]	[illegible]	[illegible]	6.5	Montreal Loan	....	(30 bid — asked)			
[illegible]	13	1	...	Mtl. Refrig. pf.	....	(— bid 16½ asked)			
[illegible]	[illegible]	.	...	Do. Vot. Tr.	....	(2 bid — asked)			
65	56	3.20	5.7	Montreal Tele.	....	(56 bid 58 asked)			
100	80	9	10.1	Montreal Trams	51	88	89	88	89
[illegible]	25	1.60	4.6	Moore Corp.	470	31½	34½	31½	34
190	140	7	4.5	Do. pref. (A)	50	140½	155	155	155
207	250	7	2.8	Do. pref. (B)	....	(185 bid — asked)			
1.25	.25	.	...	Muirheads	....	(.25 bid .50 asked)			
5½	3½	.	...	Do. pref.	....	(4½ bid — asked)			
				N					
[illegible]	[illegible]	2	5.8	Nat. Breweries	576	36½	38	36½	38
[illegible]	[illegible]	1.75	4.6	Do. pref.	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	.	...	Nat. Grocers	255	7½	7½	6½	7½
140	126	7+3.25a	...	Do. pref.	10	126	125	125	126
[illegible]	[illegible]	.	...	N. Sew. Pipe A.	....	(12½ bid 14 asked)			
[illegible]	17	50c	...	Nat. Steel Car	4788	27½	31½	26	31
210	200	8	4	National Tr.	11	200	200	200	200
34	29	2	5.4	Niag. W. Weav.	....	(33 bid 37 asked)			
4.00	1.00	.	...	North Star Oil	250	1.50	1.50	1.50	1.50
4½	3	43¾c	...	Do. pref.	10	3½	3½	3½	3½
97½	96	5	5.2	N. S. L. & Pr.	....	(96 May 27)			
105	97½	6	5.7	Do. pref.	....	(102½ bid — asked)			
37	9½	.	...	N. S. Steel, pf.	....	(— bid 20 asked)			
				O					
300	160	8	4	Ogilvie Flour	55	184	200	200	200
168	150	7	4.5	Do. pref.	....	(153½ bid 165 asked)			
112	106	5	4.5	Ontario Loan	....	(106½ bid — asked)			
7½	4½	.	...	Ont. Silknit	....	(— bid 6 asked)			
71	64	7	10.9	Do. pref.	....	(— bid 57 asked)			
18½	10	.	...	Ont. Steel	....	(— bid 15 asked)			
115	96	7+23.50a	...	Do. pref.	....	(— bid 97 asked)			
3.50	1.00	.	...	Orange Crush	18	1.50	2.00	1.00	1.50
10	4	70c	...	Do. pref.	150	4½	6	5	5
31	30	.	...	Ottawa Car	....	(— bid 30 asked)			
100	80	6	7.5	Ott. L. H. & Pr.	30	83	80	80	80
105	101	5	4.9	Do. pref.	2	102	102	102	102
24	19½	2	10	Ott. Traction	....	(20 bid — asked)			
				P					
110	80	3.75+25c	.	Page Hersey	55	90	90	89	89
9½	2½	.	...	Pantepec Oil	4600	4½	5½	4½	5¾
20	15			Paton Mfg	....	(15 bid — asked)			
110	110	7	6.4	Do. pref.	5	110	110	110	110
63½	57	3	5.3	Penmans	....	(— bid 58 asked)			
130	124	6	4.8	Do. pref.	....	(123½ bid — asked)			
26½	18	1	5.1	Photo Eng.	75	19	19½	19	..
108	86	7	7	Porto Rico Pr. p	....	(— bid 99¾ asked)			
33½	12	25c	...	Power Corp.	850	16	17	15	16½
108	90	6	6.1	Do. pref.	29	93	98	96	98
4¾	2	.	...	Prairie C. Oil	100	4½	4¾	4¾	4¾
36	22	2	7.7	Pressed Metals	88	23	26	23	26
53	15	.	...	Price Bros.	7541	21	22¾	20	21
79	49½	.	...	Do. pref.	1125	53	55½	52	53½
				Q					
25½	15	1	6.2	Quebec Power	725	16¾	16	15	16
5	4	.	...	Que. Telephone	....	(4½ bid 4½ asked)			
				R					
58	40	2	5	Real Estate L'n.	....	(40 bid 50 asked)			
11	7	.	...	Regent Knit.	985	8	9½	8	9½
25	19	.	...	Do. pref.	....	(23½ bid 25½ asked)			
4	2	.	...	Reinhardt Brew.	....	(2 bid 3 asked)			
14½	4	.	...	Reliance Grain.	....	(2½ bid 6 asked)			
29½	21	90+15ca	...	Remington R'd.	....	(14¾ Oct. 21)			
33	25	2	8	River S. Mills.	....	(22 bid 27 asked)			
8½	3½	.	...	Rogers Majest.	60	4½	4¾	4½	4¾
31	28	1	3	Rolland Pap.	....	(— bid 35 asked)			
33	18	.	...	Do. Vot. Trust	35	25	18	18	18
106½	102¾	6	5.8	Do. pref.	....	(— bid 105 asked)			
11½	7½	25c	..	Root Petroleum	....	(— bid 10 asked)			
227	169	8	4.5	Royal Bank	213	177	178	174	177
78	56	4	...	Russell Motor	....	(60 bid 70 asked)			
118	102	7	6.4	Do. pref.	....	(— bid 110 asked)			
				S					
103½	95	5.50	5.7	Saguenay Pr. p.	110	96	96	96	96
22	7	.	...	Sarnia Br. (A)	....	(8 bid 10 asked)			
16	3	.	...	Do. (B)	....	(— bid 8 asked)			
34	17½	80c	3.8	Shawinigan Pr.	2306	20½	22	19½	20½
30	14	1	...	Sher. Wms.	80	16	17	16	17
131	115	7	5.9	Do. pref.	....	(— bid 120 asked)			
2.00	1.00	.	...	Silverwoods	80	1.00	1.75	1.50	1.50
4½	3½	.	...	Do. pref.	75	4	3½	3½	3½
16	11	.	...	Simon & Son	....	(— bid 12 asked)			
110	100	10.50	...	Do. pref.	....	(110 bid — asked)			
110	85	5	5.9	Simpson, pf.	305	83	85	83	85
38	20	.	...	Do. (A)	....	(— bid 24½ asked)			
17	4	.	...	Do. (B)	10	7	6	6	6
122	107½	6	5.4	Simpson, R., pf.	....	(100 bid 118 asked)			
18½	11¾	80c	6.4	So. Can. Pr.	215	12½	13	12½	12½
108	100	6	5.7	Do. pref.	110	105	106	106	106
15½	3½	.	...	St. Law. Corp.	3720	6½	7	6½	6¾
39½	12	.	...	Do. (A)	2095	20½	20½	19	19
26	20	1	5	St. Law. Flour	....	(17½ bid — asked)			
145	135	7	5.2	Do. pref.	....	(135 Aug. 11)			
98	43	.	...	St. Law. Pap. p.	1026	53	60	54	57
15½	8	.	...	Stand. Chem.	....	(8 bid 10½ asked)			
14½	8	.	...	Stand. Clay	....	(— bid 14½ asked)			
9½	2½	.	...	St. Pav. & Mat.	15	3	3½	2½	3½
56	22	.	...	Do. pref.	....	(22 bid 25 asked)			
49½	36	3+3a	6	Stand. Steel, pf.	....	(35 bid 45 asked)			
96½	52½	1.75‡	2.5	Steel of Can.	866	65	72	64½	71½
88½	50	1.75	2.7	Do. pref.	180	60	65	60	65
6	3½	.	...	Sterling Coal	1010	4	6	6	6
3.50	1.00		...	Stop & Shop	....	(.75 bid 1.50 asked)			
17	13	80c	6.2	Stuart, D. A. pf.	....	(13 bid 13½ asked)			
3	3	.	...	Supersilk H. A.	....	(1½ bid 3 asked)			
85	80	2.00	...	Do. pref.	....	(— bid 80 asked)			
39	31½	1+25c	3.9	Sup. Pete. ord.	75	32	32	31½	32
36½	33	1+25c	3.6	Do. com.	....	(— bid 40 asked)			
				T					
16½	13	80c	5.2	Tamblyn	205	15	15½	15	15½
54	52	2.50	4.8	Do. pref.	....	(51½ bid — asked)			
3½	1½	.	...	Thayers	....	(2 bid 3½ asked)			
25	16½	2.50	...	Do. pref.	100	19½	22	22	22
3	1	.	...	Thrift Stores	....	(1 bid 2 asked)			
8	5			Do. pref.	....	(2½ bid 6 asked)			
16	10	60c	4.6	Tip Top Tailors	75	11	13	13	13
110	104	7	6.5	Do. pref.	20	107	107	106	107
6	2		...	Tooke Bros	....	(3 bid — asked)			
34½	10		...	Do. pref.	....	(10 Oct. 20)			
46	18	2	...	Tor. Elevators	380	20	20	18	18
52	46	2.62½	5.4	Do. pref.	8	48	48	46	48
110	80	4	4.8	Tor. Gen. Tr.	1	84	83	83	83
126	110	6	5	Toronto Mtge.	9	111	120	120	120
160	146½	7	4.7	Tuckett Tob. p.	....	(— bid 154 asked)			
18	9	.	...	Twin City	....	(— bid 10¾ asked)			
				U					
19	11½	62½c	...	Union Gas	1601	14	14½	13	14½
28	15	60c	...	Un. Amuse. A.	....	(— bid 25 asked)			
27	24	60c	...	Do. (B)	....	(— bid 27 asked)			
1.15	65		...	United Distill.	200	.85	.85	.85	.85
62½	30	4	...	United Fuel, pf.	165	35	40	38	38
25	15½	2	10.8	United Secs.	35	18¾	18½	18	18½
11½	3	.	...	United Steel	7466	5¾	5½	4½	5
				V					
8	2	.	...	Viau Bisc.	10	2¾	2½	2½	2½
60	40	5	12.5	Do. pref.	....	(40 bid 50 asked)			
				W					
35	19	1+15c	5.4	Wabasso Cot.	90	20	21	20	20
51½	31	2	5	Walker-Good.	6960	37	40¾	37½	40½
20	18½	1	5.5	Do. pref.	1714	18½	18½	17¾	18½
3.50	1.00	.	...	Walkerville Br.	505	1.50	1.50	1.35	1.35
5	1½	.	...	Waterloo Mfg.	25	1½	1½	1½	1½
12	4	.	...	West. C. Flour	....	(4 bid 6 asked)			
90	33	.	...	Do. pref.	....	(— bid 45 asked)			
71	57	3	5.3	West. Grocers	....	(— bid 70 asked)			
125	115	7	6.1	Do. pref.	....	(107 bid 115 asked)			
18½	9½	80+10c	..	Weston Ltd.	2850	10½	11½	10½	11½
106½	87	5	5.5	Do. pref.	....	(82 bid 88 asked)			
8	4		...	Windsor Hotel	5	5	4½	4½	4½
23	7	.	...	Do. pref.	4	8	7	7	7
10½	2	.	...	Winnipeg El. A.	699	2¾	3½	2¾	3
10	1½	.	...	Do. (B)	135	2¾	2¾	2½	2¾
44	10	.	...	Do. pref.	10	10	16	15	16
76	53	3.25a	...	Wood, A. & J. p.	5	75	60	60	60
85	50	.	...	Woods Mfg. pf.	10	55	50	50	50
				Y					
5½	5	.	...	York Knitting	70	5	5½	5½	5½

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† 1936.

a On account of arrears. b New York quotations.

‡ Plus extra of $2 paid Feb. 1, 1937.

* Plus stock bonus of 1% paid Jan. 2, and 1½ Mar. 26, 1937.

° Of which $3 is capital distribution.

Mining Stock Quotations

WEEK ENDED NOVEMBER 1

Par Val.	Range 1937 High	Low	Company	Sales	Close Oct. 25 (or last)	High for week	Low for week	Close Nov. 1
1	.10½	.02	Afton	6,100	.02	.03	.02½	.03
No	1.90	.30	Aldermac	37,219	.56	.60	.55	.57
1	.04½	.01	Alexandria	12,800	.01½	.01½	.01½	.01½
1	.36	.11	Amm. Gold	415,400	.25	.30	.25	.25
No	8.75	3.50	Anglo-Huronian	6,274	3.75	4.10	3.50	3.50
1	1.42	.22	Argosy	1,670	.31	.31	.30	.30
1	1.15	.18	Arntfield	17,975	.22	.22	.22	.20
No	.09	.02½	Arno	1,000	.02½	.02½	.02½	.02½
1	.15	.05	Ashley	6,000	.06	.07	.06½	.06½
1	.27	.03	Astoria Rouyn	101,850	.05	.05	.03	.03½
50c	.16	.05½	Aztec	500	.06½	.05½	.05½	.05½
1	.49	.15	Bagamac	39,700	.18	.24	.18	.20
1	1.85	.58	Bankfield	96,768	.59	.75	.58	.65
1	.65	.12	Base Metals	3,100	.15	.18	.15	.18
No	1.75	.96	Beattie Gold	4,400	1.04	1.17	1.00	1.08
1	.65	.19	Beaufor	4,700	.19	.21	.19	.21
1	1.70	.38	Bidgood Kirk.	56,520	.50	.55	.46	.49
1	.72	.30	Big Missouri	5,100	.40	.42	.39	.40
1	.29	.08	Bobjo	6,400	.11	.13	.10	.12
1	1.14	.10	Bousquet-Cadillac G.M.	7,900	.13	.14	.12	.14
No	9.00	6.40	Bralorne	5,710	7.35	8.00	7.40	8.00
1	.15	.03	Brazil Gold	500	.03	.03	.03	.03
1	.21	.03	Brett Trethewey	6,000	.04½	.04½	.04	.04
1	.13	.02½	Brownlee	1,500	.03	.03	.02½	.02½
1	12.50	8.25	Buffalo Ankerite	2,570	10.50	11.50	11.00	11.37
No	.06½	.02	Buffalo Can.	1,600	.02½	.02½	.02½	.02½
5	30.00	20.00	Bulolo Gold	1,700	22.00	24.00	22.00	24.00
No	.23	.10	Bunker Hill	10,700	.13½	.13½	.12	.12½
No	2.30	.85	Can. Malartic	80,800	.90	1.15	.96	1.00
1	1.75	1.30	Cariboo Gold	1,800	1.48	1.60	1.50	1.58
1	.47	.11	Cartier Malartic	11,000	.13	.14	.12½	.14
1	[illegible]	[illegible]	Castle Trethewey	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
1	[illegible]	[illegible]	Cent. Cadillac	20,700	[illegible]	[illegible]	[illegible]	[illegible]
1	[illegible]	[illegible]	Cen. Manitoba	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
1	[illegible]	[illegible]	Cen. Patricia	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
1	[illegible]	[illegible]	Cen. Porcupine	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
No	[illegible]	[illegible]	Chromium	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
1	[illegible]	[illegible]	Coast Copper	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
1	[illegible]	[illegible]	Cobalt Contact	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
1	[illegible]	[illegible]	Coniagas	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
No	[illegible]	[illegible]	Coniaurum	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
1	[illegible]	[illegible]	Con. Chibougamau	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
25	100.50	45.00	Cons. Smelters	[illegible]	57.00	60.00	53.00	57.00
1	[illegible]	[illegible]	Darkwater	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
No	51.12	36.00	Dome Mines	10,144	40.00	45.00	41.00	44.50
1	[illegible]	[illegible]	Dom. Explorers	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
1	1.22	.21	Dorval Siscoe	31,000	[illegible]	[illegible]	[illegible]	[illegible]
1	[illegible]	[illegible]	Duparquet	4,300	[illegible]	[illegible]	[illegible]	[illegible]
1	2.05	.60	East Malartic	97,800	.85	.98	.85	.80
1	3.65	1.45	Eldorado	90,161	1.55	1.80	1.45	1.80
No	12.87	4.70	Falconbridge	3,763	5.50	5.50	5.25	5.50
1	.54	.06½	Federal	42,800	.08	.10	.08½	.09½
No	1.59	.34	Francoeur Gold	17,900	.40	.46	.39	.42
1	.30	.03½	Glenora	20,700	.04	.04½	.03½	.04½
1	.65	.12	Gillies Lake	19,900	.14	.16	.14	.15
No	1.02	.40	God's Lake	15,600	.46	.50	.45	.49
1	.49	.15	Goldale	1,700	.18	.19	.15	.15
50c	.39	.12	Gold Belt	3,500	.25	.26	.26	.26
1	.68	.22	Gold Eagle	13,100	.30	.37	.30	.37
1	.22	.07½	Goodfish	130,900	.12½	.14½	.12½	.13½
1	.63	.06	Graham Bousquet	2,000	.06½	.07	.06	.07
1	.57	.05½	Granada Gold	28,866	.10	.10	.05½	.07
No	.18	.04	Grandoro	2,200	.05½	.08	.05½	.05½
1	.18½	.07	Gull Wihksne	1,500	.07¼	.07¾	.07½	.07¾
1	1.25	.55	Gunnar Gold	14,450	.70	.82	.74	.80
1	.07	.02	Halcrow Swayze	2,000	.02	.03	.02½	.03
1	3.44	.73	Hard Rock	35,355	.98	1.10	.95	1.05
1	.35	.08	Harker	23,700	.11	.12½	.10	.11
5	15.50	9.75	Hollinger	5,390	11.62	12.50	11.50	12.25
1	.72	.21	Howey Gold	19,775	.27	.31	.27	.30
No	41.75	15.75	Hudson Bay	5,761	20.25	22.75	20.00	22.50
1	19.25	7.00	Inter. Mining	400	8.00	8.62	8.50	8.50
No	73.25	39.50	Int. Nickel	49,957	46.50	48.00	45.00	46.75
1	.54	.24	Jacola	20,183	.27½	.30	.27	.27
1	1.61	.34	Jackwaite	2,000	.44	.48	.46	.48
1	2.15	.60	Jellicoe	126,667	.75	.88	.73	.80
1	.59	.17	J. M. Cons. Gold	30,900	.23½	.25½	.21	.22
1	3.30	1.40	Kerr Addison	54,657	1.72	1.90	1.70	1.75
1	.65	.30	Kerr Lake	......	(.26 bid .60 asked)			
1	.55	.20	Kirk. Gold Rand	550	.23	.23	.21	.22
1	2.65	.75	Kirk. Hud. Bay	6,100	1.05	1.20	.95	1.15
1	1.70	.90	Kirkland Lake	48,675	1.19	1.28	1.14	1.22
1	.55	.14½	Kirk. Townsite	5,700	.14½	.17	.15	.17
1	1.10	.25	Laguna	2,700	.35	.45	.39	.44
1	59.50	45.25	Lake Shore	8,341	48.50	51.50	49.00	50.25
1	.28	.03	Lamaque Contact	6,850	.03½	.05	.03½	.04
1	1.38	.33	Lapa Cadillac	68,200	.41	.49	.40	.46
1	1.30	.73	Lava Cap	11,800	.88	1.10	.90	1.06
1	.30	.10	Lebel Oro	40,310	.12	.15	.11	.15
1	.07½	.01½	Lee Gold	2,200	.02	.02½	.02	.02½
1	1.35	.35	Leitch Gold	48,650	.61	.77	.60	.69
No	8.40	4.00	Little Long Lac	10,785	4.35	5.00	4.35	4.90
1	8.60	3.70	Macassa	19,966	4.50	5.15	4.55	5.10
1	1.26	.50	Madsen Red Lake	59,200	.63	.73	.61	.64
1	.04½	.01½	Malrobic	5,000	.01½	.01½	.01½	.01½
No	.69	.12	Mandy	800	.20	.20	.15	.18
No	.16	.02	Man. & Eastern	9,500	.02½	.02½	.02½	.02½
1	.36	.08	Maralgo	4,850	.09½	.09½	.09	.09½
5	42.25	30.00	McIntyre	2,965	34.50	37.00	33.50	35.50
1	[illegible]	[illegible]	McKenzie R.L.	13,200	1.04	1.12	1.03	1.04
1	.08	.01½	Moffatt Hall	......	(.01½ bid .... asked)			
1	.88	.16	Morris Kirk	7,300	.19	.19	.16	.16
1	1.97	.95	Moneta	50,980	1.64	1.85	1.64	1.75
1	.45	.10	Montague	1,000	.10	.10	.10	.10
1	.10	.02½	Murphy	10,000	.02½	.02½	.02½	.02½
1	1.05	.20	Naybob	19,250	.28	.35	.27	.32
No	.12	.01½	Newbec	2,500	.03	.03	.03	.03
1	1.49	.25	New Golden Rose	4,200	.33	.40	.35	.36
5	3.60	1.55	Nipissing	1,225	1.76	1.99	1.80	1.99
No	83.00	36.75	Noranda	16,745	48.00	49.75	45.50	48.50
No	.95	.60	Nor. Canada	800	.65	.65	.65	.65
1	.10½	.02	Norgold	25,700	.02½	.02½	.02½	.02½

Par Val.	Range 1937 High	Low	Company	Sales	Close Oct. 25 (or last)	High for week	Low for week	Close Nov. 1
1	2.23	.75	Normetal	3,172	.90	.90	.85	.85
1	13.25	2.45	O'Brien	73,405	3.55	4.60	3.25	4.45
1	1.25	.30	Omega	21,694	.35	.46	.35	.40
1	2.20	.85	Oro Plata	33,950	1.05	1.14	1.00	1.04
1	.30	.08½	Osisko	1,000	.09	.09½	.09½	.09½
No	4.05	1.90	Pamour	18,050	2.75	3.20	2.75	3.00
1	1.10	.30	Pandora	6,400	.34	.39	.34	.35
1	.42	.08½	Parkhill	14,202	.12	.15	.10	.11
1	3.80	1.70	Pato Cons. G.	10,450	1.95	2.25	1.90	2.25
1	.41	.05	Partanen Mal.	1,200	.07	.08	.08	.08
1	.06	.01½	Pawnee Kirk.	2,000	.01½	.01½	.01½	.01½
1	.46	.08	Paulore	3,000	.10	.10	.09	.09
1	1.38	.33	Paymaster	45,205	.42	.47	.40	.42½
1	.35	.15	Payore	10,400	.19	.19½	.17	.18
1	6.60	1.25	Pend Oreille	39,870	1.75	2.00	1.60	1.77
1	2.51	.60½	Perron Gold	19,400	.75	.97	.75	.88
1	.03½	.01	Peterson Cobalt	1,000	.01	.01	.01	.01
1	9.20	4.10	Pickle Crow	20,260	5.00	5.25	4.85	5.25
1	6.85	2.35	Pioneer Gold B.C.	4,255	3.20	3.45	3.10	3.35
1	17.50	12.00	Placer Development	560	13.50	14.00	13.50	14.00
1	2.30	.75	Powell Rouyn	76,360	1.15	1.32	1.12	1.26
1	4.50	1.50	Premier Gold	6,625	2.00	2.35	2.01	2.20
1	1.47	.52	Preston E. Dome	42,200	.63	.91	.62	.81
No	2.00	1.00	Prospectors Air's	100	1.10	1.00	1.00	1.00
1	.88	.27	Quebec Gold	510	.31	.55	.40	.40
No	.48	.06	Quemont	......	(.07 bid .16 asked)			
1	6.85	2.25	Read Authier	8,190	2.80	3.20	2.90	3.00
1	2.00	.20	Red Crest	20,150	.34	.35	.30	.34
1	1.76	.16	Red Lake	39,400	[illegible]	[illegible]	[illegible]	.21
1	1.35	.70	Reno Gold	13,800	.75	.77	.71	.75
1	1.52	.25	Reeves MacDonald	600	[illegible]	[illegible]	[illegible]	[illegible]
1	[illegible]	[illegible]	Reward	9,000	.07½	.07	.06½	.07
1	[illegible]	[illegible]	Ritchie	62,400	[illegible]	[illegible]	[illegible]	[illegible]
1	[illegible]	[illegible]	Robb Montbray	14,500	[illegible]	[illegible]	[illegible]	[illegible]
1	[illegible]	[illegible]	Roche Long Lac	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
1	[illegible]	[illegible]	San Antonio	[illegible]	1.30	[illegible]	[illegible]	[illegible]
1	[illegible]	[illegible]	Shawkey	19,400	[illegible]	[illegible]	[illegible]	[illegible]
50c	[illegible]	[illegible]	Sheep Creek	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
1	[illegible]	[illegible]	Sherritt Gordon	[illegible]	1.40	[illegible]	[illegible]	[illegible]
1	[illegible]	[illegible]	Siscoe	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
1	[illegible]	[illegible]	Sladen Malartic	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
1	[illegible]	[illegible]	Slave Lake	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
No	[illegible]	[illegible]	Stadacona	237,210	[illegible]	[illegible]	[illegible]	[illegible]
1	[illegible]	[illegible]	St. Anthony	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
No	[illegible]	[illegible]	Straw Lake	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
No	6.90	1.75	Sudbury Basin	[illegible]	2.40	2.70	2.35	2.55
1	[illegible]	[illegible]	Sudbury Contact	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
1	2.24	.80	Sullivan Cons.	6,382	1.00	1.05	.98	1.02
1	4.80	2.50	Sylvanite	10,225	2.80	3.10	2.78	2.90
1	.29	.03	Tashota	4,600	.04	.04	.03	.03½
1	6.10	4.25	Teck Hughes	10,630	4.70	5.05	4.60	5.05
1	2.15	.25	Thomp Cadillac	65,090	.34	.39	.35	.38
1	.65	.16	Temiskaming	19,800	.21	.25	.19½	.23
1	4.60	1.79	Toburn Gold	1,630	2.25	2.45	2.25	2.30
1	2.00	.38	Towagmac	4,400	.50	.55	.49	.55
1	2.60	.20	Treadwell	210	.30	.31	.31	.31
1	1.10	.50	Uchi Gold	22,300	.60	.60	.55	.59
No	9.10	3.30	Ventures	4,115	4.65	5.00	4.60	4.65
No	4.65	1.00	Waite Amulet	24,605	1.49	1.61	1.37	1.55
No	.05	.01½	White Eagle	......	(.01½ bid .01½ asked)			
1	.30	.05	Whitewater	7,677	.07½	.09½	.08	.08½
1	.17	.03	Wiltsey Coughlan	500	.03	.03½	.03½	.03½
1	.77	.20	Wood Cadillac	42,950	.30	.34	.29	.33
No	8.20	5.80	Wright-Hargreaves	26,630	6.50	7.00	6.45	7.00
No	.53	.18	Ymir Girl	6,400	.19	.23	.18½	.23
			OIL STOCKS					
No	.20	.09½	Acme Gas & Oil	7,700	.10	.10	.10	.10
1	.95	.18	Alta. Pac. Cons.	14,424	.24	.28	.23	.27½
No	1.50	.95	Anglo C. Develop	4,755	1.05	1.20	1.00	1.20
1	.57	.25	Ajax	500	.28	.35	.35	.35
1	1.10	.11	Br. Dominion	500	.11	.16	.16	.16
No	.65	.27	Brown Oil	7,400	.30	.32	.27	.27
100	75.00	75.00	Do. pref.	......	(... bid 75.00 asked)			
No	6.55	1.15	Calgary & Ed.	26,550	1.65	2.05	1.70	1.88
1	1.75	.25	Calmont	13,950	.35	.46	.35	.40
No	.95	.15	Common Pete	36,050	.20	.30	.20½	.24
No	3.60	.35	Dalhousie	5,925	.55	.62	.50	.50½
No	.40	.20	Davies Pete	32,100	.29	.32	.29	.30
No	.45	.09	Eastcrest	34,300	.09	.13½	.10	.13
25c	.25½	.13	Firestone Pete	2,100	.18	.20	.18	.20
No	3.25	.30	Foothills	1,400	.50	.55	.50	.55
No	1.20	.16½	Foundation Pete	10,900	.21	.26	.20½	.21½
No	.36	.15	Hargal	......	(.16 bid .24 asked)			
No	.19	.10	High Sarcee	4,600	.12	.13	.12	.12
No	4.05	.80	Home	17,981	1.06	1.22	1.02	1.12
1	.87	.21	Homestead O.&G.	4,500	.27	.28	.26	.26
No	.70	.35	Hunter Valley	......	(.35 Aug. 20)			
No	.16	.05	Do. warrants	......	(.05 Aug. 28)			
No	.90	.15	Lowery	......	(.15 Oct. 8)			
No	.63	.14	Mercury	4,300	.21	.20	.16	.16
No	.44	.10	McD. Segur Ex.	3,000	.14	.19½	.16½	.17
No	.39	.06	Merland	1,300	.08	.07½	.07	.07½
1	1.15	.30	Model	1,200	.40	.45	.35	.35
25c	.56	.21	Monarch Royal	15,900	.25	.30	.23½	.24½
5	.40	.14	Nordon	1,800	.20	.10	.19	.19
No	.12	.03½	Oil Selections	7,000	.04	.04	.03½	.04
No	4.10	.65	Okalta	9,055	.85	1.07	.92	.95
No	.12	.01	Olga Gas & Oil	3,000	.01½	.02½	.02½	.02½
1	.43½	.10	Pacalta	78,625	.10½	.13½	.10	.12
1	.70	.40	Petrol Oil & Gas	200	.45	.40	.40	.40
25c	.30	.14	Prairie Royalties	20,000	.17	.23	.16	.21
No	60.00	24.00	Royalite	3,338	30.00	34.50	30.00	34.00
No	2.00	.40	South West Pete.	100	.40	.40	.40	.40
No	.19	.05	South End	900	.05	.07	.05	.06
1	.63	.22	Spooner	......	(.15 bid .23 asked)			
No	2.35	1.00	Texas Can.	14,350	1.40	1.50	1.40	1.45
No	.70	.11½	United Oil	4,055	.15½	.17	.14	.14
No	2.25	.85	Vulcan	2,115	1.00	1.12	1.00	1.09
No	.36½	.25	West Flank	......	(.25 bid .30 asked)			

VANCOUVER STOCK EXCHANGE

Par Val.	Range 1937 High	Low	Company	Sales	Close Oct. 25 (or last)	High for week	Low for week	Close Nov. 1
50c	.15	.05	Aztec	3,000	.07	.07	.05½	.07
20c	.04	.01	Beaver Silver	......	(.01 Oct. 9)			
1	.70	.32	Big Missouri	8,000	.39	.44	.40	.40
25c	.07½	.01½	Bluebird	......	(.01 bid ... asked)			
No	9.00	6.10	Bralorne	2,835	7.39	7.95	7.50	7.95
1	.07½	.02	Bridge River Cons	......	(.02 bid .03½ asked)			
50c	.19	.05	B.R. Mountain Gold	......	(.05 Aug. 12)			
1	.40	.08	B.C. Nickel	13,200	.09	.13½	.10	.12½
1	3.85	1.50	B.C. Silver	925	1.75	2.05	2.05	2.05
50c	.04½	.02	Canadian Rand	......	(.02 July 20)			
1	1.79	1.30	Cariboo Gold	1,900	1.50	1.55	1.55	1.55
1	.14	.02½	Congress Gold	22,500	.03	.03½	.02½	.03
25c	.05	.00½	Cork Province	1,000	.00½	.01	.01	.01
No	.27	.08	Dentonia	13,100	.10	.10½	.10	.10½
1	.05	.02	Dunwell	10,500	.03½	.04	.03	.04
No	.18	.03	Fairview Amal.	4,991	.05	.05	.04½	.04½
1	.06½	.01	Federal Gold	2,000	.01	.02	.01½	.01½
1	1.43	.20	George Copper	......	(.20 bid ... asked)			
50c	.06½	.02½	George Enterprise	......	(.01½ bid ... asked)			
1	.05	.00½	Georgia River	7,000	.01	.01	.01	.01
1	.20	.05	Golconda	1,000	.07	.06½	.06½	.06½
50c	.37	.11½	Gold Belt	......	(.25 bid ... asked)			
50c	.43	.02	Gold Mountain	3,000	.02½	.02½	.02½	.02½
50c	.30	.08	Grandview	40,375	.11	.10½	.08	.08½
1	.18½	.06	Grull Wihksne	4,500	.06½	.08	.07½	.07½
No	.06½	.00½	Haida Gold	63,100	.09	.06½	.04½	.06
No	.13	.01	Hedley Sterling	6,500	.02	.03½	.02½	.03
No	.04½	.01½	Home Gold	6,500	.02	.02	.01½	.01½
1	.08	.01½	Indian Mines	1,000	.01½	.01½	.01½	.01½
50c	1.18	.55	Island Mountain	4,735	.77	.80	.70	.70
1	.24	.21	Inter'l Coal	......	(.21 bid .23 asked)			
1	.09½	.03	Inter'l Gold	......	(.03 June 19)			
50c	1.15	.71	Kootenay Belle	5,750	1.02	1.10	1.02	1.05
20c	.07	.01½	Koot. Florence	2,000	.02	.01½	.01½	.01½
1	.03½	.00½	Lakeview	13,000	.01½	.01½	.01	.01½
10c	.19½	.01½	Lucky Jim	101,500	.02½	.03	.02½	.03
No	.07½	.02	Mak Siccar	......	(.01½ bid .02 asked)			
1	.20½	.18	McGillivray Creek	......	(.15 bid ... asked)			
50c	.06½	.01	Meridian Min.	......	(... bid .01 asked)			
5c	.17	.02½	Metaline	......	(.08 Sept. 22)			
No	.38	.05	Minto Mines	[illegible]	.06½	.05½	.04	.04
50c	.13½	.04	Nicola	2,100	.04	.04½	.04	.04½
50c	.17	.03½	Noble Five	21,000	.04	.04	.03	.03
1	6.75	1.50	Pend Oreille	6,000	1.70	1.90	1.65	1.78
No	.07½	.01½	Pilot Gold	......	(.01½ bid .02 asked)			
1	6.75	2.00	Pioneer Gold	3,100	3.20	3.30	3.15	3.30
50c	.15	.04	Porter Idaho	......	(.03½ bid .04½ asked)			
No	.06½	.01	Premier Border	27,000	.01½	.01½	.01½	.01½
1	4.80	1.90	Premier Gold	7,900	2.00	2.30	2.05	2.19
1	.12	.02½	Quatsino Copper	6,500	.03½	.04	.03½	.03½
25c	.17	.06	Quesnelle Quartz	1,300	.06	.07	.06	.07
10	.06½	.01½	Reliance	34,000	.01½	.01½	.01½	.01½
1	.37	.12	Relief Arlington	6,500	.16½	.20	.17	.19
No	1.00	.30	Reeves McDonald	7,800	.37	.38	.33	.33
1	1.31	.73	Reno Gold	1,800	.75	.78	.73	.75
1	.20½	.05	Reward Mining	6,500	.07	.07	.06½	.06½
1	.09½	.01½	Rufus Argenta	7,000	.01½	.01½	.01½	.01½
1	.11½	.01½	Ruth Hope	......	(.02 bid ... asked)			
1	.12	.04	Sally Mines	......	(.05 bid ... asked)			
50c	.15	.05½	Salmon Gold	......	(.06 bid .08 asked)			
50c	.95	.58	Sheep Creek	13,200	.83	.90	.80	.89
No	.14½	.04	Silvercrest	500	.04	.04	.04	.04
20c	.10	.01	Silversmith	4,000	.02	.02	.02	.02
1	.63	.23	Standard Silver	1,000	.23	.25	.25	.25
1	.75	.15	Sunloch	......	(.20 Sept. 25)			
10	21.00	19.75	Sunshine	......	(19.75 Apr. 6)			
No	.13	.03½	Taylor Bridge	4,000	.09	.04	.04	.04
No	1.05	.25	Vidette Gold	5,000	.27	.27	.25	.26
No	.06½	.00½	Viking Gold	18,000	.00½	.01	.00½	.00½
50c	.03	.00½	Waverley Tangier	4,500	.00½	.00½	.00½	.00½
20c	.13½	.01½	Wellington	2,500	.02½	.02½	.02½	.02½
50c	.50	.11½	Wesko	2,100	.13	.12	.12	.12
1	.42	.05	Whitewater	23,567	.07	.09	.07½	.07½
No	.50	.21½	Ymir Yankee Girl	......	(.23 Sept. 16)			
			OIL STOCKS					
1	1.09	.18	Alta. Pac. Cons.	28,630	.24	.28	.25	.27
1	.14½	.05	Amalgamated	12,300	.06½	.08	.07	.07½
No	.45	.05	Associated Oils	......	(.06 bid ... asked)			
1	.64	.05½	Anaconda	8,500	.07	.09	.07½	.08½
No	.24	.03	Baltac	......	(.03 Sept. 18)			
1	1.05	.15	Brit. Dominion	......	(.25 Aug. 30)			
No	6.50	1.35	Calgary & Ed.	20,620	1.68	2.05	1.75	1.91
1	.80	.15	Commonwealth	45,300	.20	.29	.23	.25
1	1.84	.32	Calmont	10,100	.36½	.45	.36	.41
1	.13	.04½	Crow's Nest	19,500	.05½	.05½	.04½	.05½
No	3.55	.40	Dalhousie	400	.55	.60	.60	.60
No	.36	.21	Davies Pete	12,800	.28½	.31	.29	.30
No	.45	.12	Eastcrest	......	(.12 Sept. 23)			
No	.96	.17	Foundation Pete.	3,000	.21	.23	.22	.22
No	.44	.04½	Freehold	5,500	.06½	.07	.06½	.06½
No	.40	.10	Hargal	......	(.17 bid ... asked)			
No	.01	.12	High Sarcee	3,500	.12	.12	.12	.12
No	4.10	.80	Home Oil	4,715	1.05	1.15	1.10	1.10
No	.88	.09	Lowery Pete.	100	.12	.12	.12	.12
No	.35	.04	Madison	29,250	.05½	.07	.05½	.07
No	.50	.05½	Marjon Oil	5,500	.06½	.07½	.07	.07
No	.78	.14½	McD. Segur Ex.	......	(.17½ bid .19 asked)			
1	1.60	.25	McLeod	......	(... bid .20 asked)			
No	.88	.15	Mercury	8,700	.17½	.18	.17	.17
No	.39	.06½	Merland	1,500	.08	.06½	.06½	.06½
No	.65	.09	Mill City Pete.	1,900	.09	.10½	.10½	.10½
No	.65	.07½	Midwest Pete.	......	(.07½ Sept. 10)			
1	1.15	.31	Model	3,300	.37	.43	.40	.40
25c	.52	.23	Monarch Royal	10,900	.26	.26	.24	.24
5	.48	.14	Nordon	......	(.18½ bid .20 asked)			
No	4.60	.70	Okalta	12,650	.85	1.05	.95	.95
No	.44	.11½	Pacalta Oil	......	(.11½ bid .15 asked)			
25c	.25	.24	Prairie Royalties	......	(.18½ bid .20 asked)			
No	50.00	27.25	Royalite	134	31.00	34.00	31.50	33.50
1	.75	.10	Spooner	......	(.25 Sept. 3)			
No	.72	.11½	United	6,700	.15	.17½	.16½	.17
[illegible]	[illegible]	[illegible]	Vulcan	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	West Flank Oil	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

Corporation Bonds

(Supplied by Investment Dealers' Association of Canada)
Nov. 2, 1937

Public Utility Issues	Int. Rate %	Due	Bid Nov. 2	Asked	Bid Oct. 26
†Assoc. Tel. & T.	5½	'55	79	82	78
Beauharnois P.	5½	'73	61½	64½	60
‡Bell Telephone	5	'57	117	120	117
B. C. Power	4½	'60	96	101	97½
B. C. Tele.	4½	'61	103	106	102½
†Calgary Pwr.	5	'60	92	95	89
†Can. Nor. Pwr.	5	'53	102½	105½	101½
‡Dom. Gas & El.	6½	'45	77½	80½	75
‡Gatineau Pwr.	5	'56	101	104	100½
‡Do., A	6	'41	99½	102½	97
†Inter. Hydro-E.	6	'44	65½	68½	65½
‡Inter. Power	6½	'57	96½	99½	96½
†Macl'n-Que. Pr.	5½	'61	100½	103½	97
†Mtl. L., H. & P.	3½	'56	99½	102½	99½
†Mtl. Tramways	5	'41	100	103	100½
N. S. L. & Pr.	4	'57	96½	99½	96½
†Ottawa V. Pwr.	5½	'70	104	107	103½
†Power Corp.	4½	'59	98	101	97½
‡Que. Pwr.	4	'62	93½	96½	93
Saguenay P., B	4½	'66	101	104	100
†Shaw. W. & Pr.	4	'61	97½	100½	97
‡Wpg. Elec., A	4	'65	64	67	60½
Industrial and Realty Issues:					
†Abitibi P. & P.	5	'53	67	100	67½
B. A. Oil	4	'45	109	..	109
Brown & Co.	5½	'46	77	100	76½
Canada Bread	6	'41	107	110	107
†Canada Cement	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
†Canada Paper	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Can. Steamship	[illegible]	[illegible]	74	77	[illegible]
Can. Canners	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
†Can. Inter. Pap.	[illegible]	[illegible]	[illegible]	100	[illegible]
C. P. R.	[illegible]	[illegible]	91	94	91
Do.	[illegible]	[illegible]	94½	97½	94
Do.	4½	'44	99	102	99½
Do.	5	'42	104½	106	103½
Do., debs.	4 perp.		84	86½	85½
†Consol. Paper	5½	'61	64	67	63½
▲Dom. Stl. & C.	6½	'55	97	100	[illegible]
Dom. Tar	4½	'51	100	103	99½
†Donnacona P.	4½	'56	76½	79½	76½
†Famous Players	4½	'51	95½	98½	93½
†Federal Grain	6	'49	80½	83½	79
†Fraser Cos.	6	'50	100	103	100
†Gen. Steel W.	4½	'52	92½	95½	91½
Great Lakes P.	3	'55	93	96	92
†Gypsum, Lime.	5½	'48	97½	100½	96½
Lake St. John P. & P.	5½	'61	96½	99½	96½
†Massey-Harris	5	'47	95½	98½	93½
†McColl-Front.	6	'49	102	105	102
‡M. & O. Paper	6	'45	44½	47½	..
†Price Bros.	5	'57	97½	100½	96
‡Prov. Paper	5½	'47	100½	..	100
†Restigouche C.	6	'48	99	102	97½
†Simpsons Ltd.	4½	'51	93	96	91½
†Smith, Howard	4½	'51	101	..	98½
†Steel of Canada	6	'40	109	..	109
Union Gas	4½	'50	97½	100½	96

‡Payable in Can. or U. S. †Payable in Can., U. S. or U. K. ▲Payable in Can. or U. K. *Payable in U. S. only.

Mining Dividends

	Rate	Close Nov. 1	Yield %
Anglo-Huronian	20c	3.50	...
Beattie Gold	5c	1.08	...
Bralorne	40c+35c	8.00	*9.4
Buff. Ankerite	50c+22½c	11.63	*6.2
Bulolo Gold	‡1.50	24.00	6.2
Can. Malartic	†5c	1.00	...
Cariboo	10c	1.58	6.3
Central Patricia	12c	2.25	...
Coniagas	12½c	1.85	...
Coniaurum	5c	1.22	...
Cons. Smelters	50c+$1	57.00	*2.6
Dome Mines	$4+$2	44.50	*13.6
Falconbridge	30c	5.50	5.4
Hollinger	65c+30c	12.25	*7.7
Howey Gold	4c	.30	..
Hudson Bay	75c	22.50	..
Inter. Mining	45c	8.50	5.3
Inter. Nickel com.	$2+25c	46.75	*4.8
Island Mountain	5c	.70	..
Kerr Lake	5c	.37	..
Kirk Lake	9c	1.22	...
Lake Shore	$4+$1	50.25	*9.9
Lava Cap, M.	10c	1.06	...
Little Long Lac	30c	4.90	6.1
Macassa	20c	5.10	3.9
McIntyre	$2	35.50	5.6
McKenzie Red Lake	4c	1.04	...
McKinley Sec.	5c	.40	...
Noranda	‡$1.75	48.50	3.6
Nor. Can. Mining	6c	.65	...
Nipissing	37c	1.99	...
Placer Develop.	†60c	14.00	...
Premier	12c+4c	2.20	*7.2
Pioneer, B.C.	40c	3.35	11.9
Pickle Crow	40c	5.25	7.6
Reno	12c	.75	16.0
San Antonio	14c	1.34	...
Sheep Creek	8c+2c	.87	*11.5
Siscoe	20c+1c	3.25	*6.4
Sudbury Basin	†10c	2.55	...
Sullivan Cons.	5c	1.02	4.9
Sylvanite	20c+5c	2.90	*8.6
Teck-Hughes	40c+5c	4.95	*9.1
Toburn	8c+1c	2.30	*3.9
Ventures	†12½c	4.65	...
Wright-Harg.	40c+30c	7.00	*10.0
Yankee Girl	1c	.23	...

‡Interim. †Initial.
*Yield includes bonus.

Municipal Bonds

November 2, 1937

	Rate	Due	Bid	Ask.	Yld.
†Halifax	5	1961	111.00	113.50	4.17
Hamilton	[illegible]	1950	109.00	111.00	[illegible]
Montreal	5	1945	104.00	106.00	4.05
Ottawa	4½	1945	106.25	108.25	[illegible]
†Quebec	[illegible]	1959	104.50	106.50	[illegible]
Saint John	[illegible]	1950	105.00	108.00	[illegible]
†Toronto	4½	1955	110.00	112.00	[illegible]
†Vancouver	5	1950	87.00	91.00	[illegible]
Winnipeg	5	1944	98.00	102.00	[illegible]

†Payable Can. and N. Y.

Stock Sales

	Montreal Markets Indust.	Mines	Toronto Markets Ind. & Mines
Nov. [illegible]	[illegible]	[illegible]	[illegible]
Nov. [illegible]	[illegible]	[illegible]	[illegible]
Oct. [illegible]	[illegible]	[illegible]	[illegible]
Oct. [illegible]	[illegible]	[illegible]	[illegible]
Oct. [illegible]	[illegible]	[illegible]	[illegible]
Oct. 27	[illegible]	[illegible]	[illegible]

Investment Trusts

	Bid	Asked
Can. Amer. Trust	3.40	3.75
Can. Invest. Fund	3.70	4.05
All Can. Trustee	11.50	12.20
Trans Canada	11.85	12.80
Grouped Income	4.87	5.40
Can. Equity	12.00	....
Can. Int. Tr., modified	5.25	5.75
Do., unmodified	4.75	5.25

Unlisted Stocks

(Furnished by A. J. Pattison Jr. & Co., Toronto)
Nov. 2, 1937

Industrial Stocks:	Bid	Asked
Acadia Sugar, pfd.	4.00	4.75
Acme Farmers Dairy, pfd.	30.00	....
Algoma Steel, com.	7.75	8.50
Do., pfd.	54.25	56.75
Andian National	49.00	52.00
Assoc. Tel. & Tel., pfd.	36.00	39.50
Barrymore Cloth, pfd.	25.25	28.00
Brandram-Henderson, com.	3.25	6.00
Do., pfd.	20.50	....
B. C. Pulp & Paper, com.	23.50	27.50
Do., pfd.	86.00	93.00
Burns & Co., A	7.50	....
Do., B	3.25	....
Can. Wire & Cable, pfd.	110.00	112.50
Can. Airways	3.75	4.50
Can. Industries, A com.	201.00	....
Do., B com.	196.00	201.00
Do., pfd.	157.00	160.00
Can. Ingersoll Rand	114.00	120.00
Can. Tube & Steel, com.	7.00	8.75
Do., 1st pfd.	90.00	95.00
Do., 2nd pfd.	20.00	26.00
Can. Westinghouse	50.00	54.00
Chase, A. W., pfd. bonus	25.00	....
Claude Neon, pfd.	6.50	8.00
Conduits Nat., com.	3.50	4.50
Dominion Woollens, pfd.	2.00	2.25
Dunlop Tire, pfd.	80.00	84.50
Federal Grain, pfd.	23.00	26.00
Goderich Elevator	4.00	4.50
Guelph Carpet, pfd.	104.00	106.00
Do., com.	21.50	23.00
Hayes Steel Prod., com.	6.25	7.50
Do., pfd.	7.00	8.50
Highland Dairy, pfd.	78.00	82.00
Huether Brewing, pfd.	3.00	....
Kingston Shipbuilding Units	7.50	....
Loblaw Inc., pfd. bonus	....	87.00
McCormick's Ltd., com.	3.25	4.50
Morrison Brass, pfd. bonus	8.00	9.75
Mount Royal Hotel, pfd.	3.50	4.00
N. Meth. Laund., pfd. bonus	86.00	91.00
Paterson, Wm., pfd.	100.00	....
Perfection Pete., pfd.	30.00	....
Provincial Paper, pfd.	106.25	108.00
Reliance Grain, pfd.	....	72.00
Rob. Consol. Cone	8.75	9.50
Ruddy, E. L., pfd.	....	33.00
Seal O Sac (Can.)	5.25	7.00
Standard Fuel, com.	3.25	5.00
Do., pfd.	72.50	78.00
Super. Petroleum, B pfd.	27.00	28.00
Toronto Carpet, com.	50.00	54.00
Do., pfd.	56.00	61.00
United Farmers Co-oper.	2.00	....
United Steel, A pfd.	15.25	16.00
Viceroy Mfg., pfd. & rts.	15.25	17.00
Western Grain, pfd. bonus	5.25	6.50
Weston (Geo.) Foods (Eng.)	2.50	3.00
Wings Limited	.85	1.05
Trusts and Loan Stocks:		
Chartered Trust	98.00	102.00
Commercial Finance, com.	2.50	3.00
Guelph Ont. Inv. Par $50.00	52.00	....
London & West. Trust	51.00	55.00
Premier Trust	....	87.00
Prudential Trust	6.00	....
Sherbrooke Trust	120.00	....
Sterling Trust	41.00	....
Traders Fin., A com.	13.75	16.00
Do., Inc. rights	10.00	12.00
Do., B pfd. bonus	90.50	94.00
Trusts & Guarantee	26.00	27.50
Insurance Stocks:		
Canada Life	527.00	538.25
Canadian Ins. Shares	19.00	21.50
Confederation Life 20% pd.	111.00	113.00
Continental Life 20% pd.	39.25	....
Crown Life, fully paid	162.00	....
Dominion Fire	131.00	....
Dom. of Can. Gen.	121.00	128.00
Empire Life 25% pd.	12.75	13.50
Federal Fire 25% pd.	43.00	....
Great West Life	305.00	320.00
Guar. of N.A., fully pd.	325.00	340.00
Halifax Fire	22.50	23.00
Imperial Life	340.00	355.00
Manufacturers Life	245.00	272.00
Monarch Life 10% pd.	22.00	25.00
Sovereign Life 25% pd.	14.50	17.00
Sun Life (Div. 15.00)	430.00	470.00
Western Assce., pfd.	40.00	43.00
Do., com.	48.00	50.00
Theatre Stocks:		
Allens Kingston, pfd.	58.00	....
Do., St. Catharines, pfd.	57.00	....
Do., Tor., pfd. bonus com.	31.00	32.50
Loew's London, pfd.	2.30	3.25
Mansfield Theatre, pfd.	24.00	26.00
Paramount Kitchener, pfd.	58.00	60.00
Do., Oshawa, pfd.	87.00	92.00
United Amusement, A V.T.	19.00	20.00
Do., B	19.00	20.00
Investment Trust Shares:		
Can. Gen. Invest.	8.20	8.40
Can. Investment Fund	3.80	4.25
Can. Investors Corp.	5.50	7.00
Cons. Div. Std. Sec., com.	.30	....
Do., pfd.	10.00	....
Corporate Investors	6.20	6.55
Invest. Found., pfd. bonus	81.00	84.00
Lon. Can. Invest., com.	3.50	4.75
Sec's. Hold. pfd. bonus	18.25	19.50
United Corpns., A	19.50	22.00
Do., B	11.00	13.00
Power Issues:		
Can. West. Nat. Gas, com.	24.00	26.00
Do., pfd.	84.00	86.00
For. power Sec's., pfd.	6.00	7.50
Great Lakes Power, pfd.	62.00	....
Inter. Util., 1.75 pfd.	8.00	10.50
Do., 7.00 pfd.	94.00	96.00
Montreal Island Pwr., pfd.	15.00	17.00
New Brunswick Tel., com.	13.50	14.50

Winnipeg Stocks

Transactions from Oct. 25 to Oct. 30

	Sales	High for period	Low for period	Close Oct. 30
Cres. Cream., pf.	5	34.00	34.00	34.00
Flin Flon	1,300	[illegible]	[illegible]	[illegible]
Great Falls M.	1,500	[illegible]	[illegible]	[illegible]
Gurney	7,100	[illegible]	[illegible]	[illegible]
Kmee Lake	3,000	.01½	.01½	.01½
Kenricia	1,100	[illegible]	[illegible]	[illegible]
Oro Grande	8,000	[illegible]	[illegible]	[illegible]
Sachigo River	150	[illegible]	[illegible]	[illegible]
United Grain	5	7.00	7.00	7.00
West. Steel, pf.	136	12.50	11.00	[illegible]
Wylie Dom.	1,300	[illegible]	[illegible]	[illegible]
Wingold	[illegible]	[illegible]	[illegible]	[illegible]
Wpg. R. Tin	3,000	[illegible]	[illegible]	[illegible]
Winga Ltd.	900	[illegible]	[illegible]	.80

Stocks Not Traded in During Week*

	Bid	Asked
Beaver Fire Insurance	...	100
Can. Indemnity	130	...
Federal Grain, com.	1	...
Federal Grain, pref.	...	31½
Home Investment	...	23
Reliance Grain, pf.	...	73
Northern Can. Mtge., pf.	3	...
Northern Trust	...	3
West. Breweries	1½	...
Traders Bldg.	$2.50	...

*Stocks more active on other exchanges not included.

Unlisted Mines

Nov. 6, 1937

	Bid	Asked
Ansel	..	.40
Albany	.46	.48
Algold	.34	.35
Altura	.03	.05
Armistice	.07	.09
Arno	.02½	.03¼
Athona	.13	.14
Area	.02½	.03½
Augite	.12	.15
Bailor	.01½	.02½
Barb Lar	.38	.36½
Bear	.17	.20
Bilmac	.08	.10
Baldwin	.01½	.02
Cuniptau	.05½	.06½
Calder B.	.03½	.05
Callinan Flin Flon	.02	.03
Can. Pan.	.04½	.10
Can. Kir.	.01½	.02
Candal'a	..	.27
Chester	.80	1.00
Coin Lk.	.03	.05
Condor (old)	.05	.06
Cont. Kir.	.32	.34
Cooke Lk.	.19	.22
Coulson	.04	.06
Cres. Kir.	.02½	.03½
Dawson	.03½	.04½
Denison	.33	.34
Desantis (New)	.33	..
Doreva	..	.08
Delosha	.17	.19
Dunlop (New)	.03½	.04½
El Bona	.07	.09
Elec. Por.	.04	.06
Eva Lk.	.04½	.05½
Elmos	..	..
Faulk'n	[illegible]	[illegible]
Garnet	.02	.03
Gate Pat.	.03	.05
Gilbec	.01¾	.02½
Gold Rge.	.03½	.03½
Goldside	.02	.03½
Gold. Gat.	.42	.45
Gord. Leb.	.05	.06
Gull Kirk.	.01½	.02½
Hud. Pat.	.03	.04½
Hislop	.03½	.04½
Heva Cad.	.15½	.16½
Horseshoe	.00¾	.01½
Hutch. Lk.	.10	.11
Hugh Pa.	.05½	.06½
John. Nip.	.01	.03
Kaw Crow	.03	.04½
Kenecho	..	.05
Kenland	.01¾	.02½
Kenricia	.30	.33
Kewag'a	.21	.23
King Kir.	.01	.02
Kir-Vit	.08	.07
Kirk. Hun.	.02½	.03
Lafaye's	.02	.03
L. Geneva	.29	.32
Lamaque	6.00	6.35
Lardego	.05½	.06
Magnet L.	.05	.07
Magnet C.	.17	.20
Malartic	.19	.21
M'waki	1.35	1.40
Mart. Me.	.03	.04
Mart. Br.	.37	.39
Margaret	..	.30
Mata. Cn.	.09	.11
Moffatt (New)	.04	.05
MacFarl.	.07	.08
McCarthy	.15	.17
McV. Kir.	.11	.13
Monarch	[illegible]	[illegible]
North Sh.	.01½	.02¼
Oklend	.12½	.13½
Oliver S.	.15	.17
O'Leary	.05½	.06½
Old Diam.	.01	.01½
Opem. Cp.	.04	.06
Oriole	.07	.08
Ossian	.01¼	.01½
Pascalis	.36	.39
Porc. Mc.	.02¼	.03½
Porc. Un.	.05	.06
Plains P.	2.00	2.25
Porc. GR.	.01	.01½
Potterdoal	.01	.01½
Porc. Tri.	.07	.10
Pontiac	.08	.06
Pelangio	.05½	.06
Propri'y	1.20	1.30
Que. Man.	.42	.45
Rajah	.04	.05
Ribago (new)	.12	.13
Rouyn R.	.03½	.04½
Rubec	.02½	.03½
Sand River	.22	.25
Shenango	.12	.13
Siscoe Ex.	.22	.25
Smelter	.02	.03½
Spooner	.07	.09
Sturg. River	.20	.24
Springer	.07	.08
Sun Bear	..	.12
Tonawanda	.02½	.03
Upper Can.	.23	.25
Wascana	.06	.07
Williamson	.07	.08
Wesley	..	.06
Westside	.05	.08
West RL.	.02	.03
White H.	.15	.19
Wendigo	.18	.20
Winga	..	[illegible]

Government Bonds

Dominion of Canada Bonds

Nov. 2, 1937

		Bid	Asked	Approx. Yld.
3	15 Nov. '39	100.10	100.60	1.70
2½	15 Oct. '39	101.00	101.50	1.70
4	15 Oct. '39	103.60	104.10	1.85
1½	1 June '40	98.75	99.25	1.80
4½	1 Sept. '40	106.00	106.50	2.12
1	15 Mar. '41	96.50	97.00	1.91
5	15 Nov. '41	109.00	109.50	2.51
3	15 Oct. '42	102.50	103.00	2.36
2½	1 June '43	100.00	100.50	2.40
5	15 Oct. '43	110.50	111.00	2.97
4½	15 Oct. '44	109.25	109.75	2.95
2½	15 Aug. '45	98.25	98.75	2.68
4½	15 Oct. '45	105.50	106.00	▲2.90
4	1 Feb. '46	109.25	109.75	3.15
4½	1 June '49	99.10	99.60	3.29
3¼	15 Oct. '49	101.25	101.75	▲3.21
3½	15 Oct. '52	105.15	105.65	▲3.35
4	1 June '55	95.25	95.75	3.31
3	1 Nov. '56	108.00	108.75	▲3.36
4½	1 Nov. '57	108.00	108.75	▲3.46
4½	1 Nov. '58	109.15	109.65	▲3.44
4½	1 Nov. '59	109.35	109.85	▲3.49
4½	15 Jan. '61	98.00	98.50	3.34
3¼	1 June '66	97.15	97.65	3.38
3	Perp. bds.	85.50	86.00	3.49

Dominion Guaranteed Bonds

		Bid	Asked	Approx. Yld.
Canadian National Railway:				
	1 May '44	100.50	101.50	2.75
3	15 Dec. '50	95.00	96.00	3.38
3	15 Feb. '53	94.00	95.00	3.42
4½	1 Sept. '51	111.25	112.25	3.39
4½	1 Feb. '56	111.75	112.75	3.53
4½	1 July '57	111.25	112.25	3.63
4¾	15 June '55	114.25	115.25	3.59
5	1 Feb. '54	115.50	116.50	3.66
5	1 July '69	114.50	115.50	▲3.09
5	1 Oct. '69	116.50	117.50	▲3.53

Provincial Government Bonds

		Bid	Asked	Approx. Yld.
New Brunswick:				
4	1 Sept. '54	98.50	100.00	4.00
4½	15 Apr. '61	102.50	104.00	4.23
5	15 Jan. '60	108.00	109.50	4.33
Nova Scotia:				
3	2 Sept. '45	96.50	98.00	3.29
4½	15 May '43	105.50	107.00	3.12
4½	15 Sept. '52	107.50	108.75	▲3.45
5	1 Mar. '60	115.00	116.50	3.89
Ontario:				
3	1 Dec. '51	94.75	95.75	3.38
4	1 June '62	105.00	106.50	3.60
4½	1 June '50	109.25	110.25	3.51
4½	15 Jan. '62	112.00	114.00	3.63
5	15 Oct. '48	113.00	114.00	3.45
5	2 Dec. '60	117.00	118.50	3.80
5½	1 July '46	114.50	115.50	3.42
Ont. Hydro Comm.:				
3½	1 Apr. '47	101.00	102.00	3.25
4½	1 Jan. '70	115.00	116.50	3.86
Prince Edward Island:				
3	1 Oct. '45	96.50	98.00	3.29
Quebec:				
4	15 Mar. '52	104.50	106.00	3.47
4½	1 Aug. '58	107.50	109.00	3.63
4½	2 Jan. '63	109.00	111.00	3.82
Alberta:				
4	15 Dec. '54	49.00	51.00	‖
4	1 Dec. '57	50.00	52.00	‖
4½	1 Oct. '51	60.00	63.00	‖
4½	1 Oct. '56	52.00	54.00	‖
5	1 Jan. '48	53.50	56.00	‖
5	1 Sept. '55	53.00	55.50	‖
5	1 Oct. '59	54.50	56.50	‖
5½	1 Jan. '47	56.50	59.00	‖
6	1 Mar. '47	60.00	62.00	‖
British Columbia:				
4	1 Dec. '57	88.50	90.50	4.73
4½	15 Jan. '51	95.50	96.50	4.85
4½	1 Oct. '53	95.00	96.50	4.82
5	15 Jan. '48	98.50	99.75	5.02
5	1 Sept. '53	98.50	99.75	5.02
5½	1 Feb. '45	100.50	101.50	5.25
6	15 Feb. '47	101.00	102.25	5.68
Manitoba:				
4	2 Jan. '50	82.50	84.50	5.75
4	1 Dec. '57	83.00	85.00	5.20
4½	15 Dec. '56	85.00	87.00	5.60
5	15 June '54	92.00	94.00	5.55
5	2 Dec. '59	92.00	94.00	5.47
5½	1 Oct. '55	93.00	95.00	5.95
6	1 Apr. '47	97.75	98.75	6.18
Saskatchewan:				
4	15 Aug. '53	59.00	61.00	8.50
4	1 Nov. '60	58.00	60.00	7.75
4½	2 July '45	70.00	73.00	9.50
4½	1 Oct. '51	72.50	75.00	7.40
4½	15 Mar. '60	62.50	65.50	7.76
5	1 Aug. '58	67.00	70.00	7.98
5½	15 Nov. '46	72.00	75.00	9.70
5½	1 Oct. '52	70.50	73.00	8.76
6	15 Mar. '52	75.00	77.00	8.85

*Payable Can., N.Y. & £. ▲Calculated to call date giving lowest possible yield †Payable Can. & N.Y. ■Payable N.Y ‡Callable on or after Sept. 15, 1966 ‖Traded flat. Interest being paid at 50% of coupon rate; minimum rate 2%.

Dividends Declared

	This payment	Date payable	Date of record
Assoc. Tel. & T., pf.	49c	Nov. 15	Nov. 1
Do., 6% pref. ...	42c	Nov. 15	Nov. 1
Amer. Cyan., A, B	$1	Nov. 26	Oct. 18
Anglo-Huronian ..	10c	Jan. 3	Dec. 15
Belding Corp.	$1	Jan. 3	Dec. 15
Do., pref.	$1.75	Jan. 3	Dec. 15
Blue Ribbon, pf. ..	50c	Nov. 1	Oct. 28
Borden Co., c.	40c	Dec. 1	Nov. 15
Bk. of Montreal ..	$2	Dec. 1	Oct. 30
Bk. of Toronto ..	$2.50	Dec. 1	Nov. 15
Bright, T. G.	7½c	Dec. 15	Nov. 30
Do., pref.	$1.50	Dec. 15	Nov. 30
Brewers & Dist. ...	$1	Nov. 15	Oct. 15
Buff. Ankerite 12½c+10c		Nov. 15	Nov. 1
Commonwealth Int'l.	4c	Nov. 15	Oct. 16
Calgary & Ed. ...	5c	Dec. 15	Dec. 1
Can. Bk. of Comm.	$2	Dec. 1	Oct. 30
Crown Cork	20c	Nov. 15	Oct. 30
Do., extra	20c	Nov. 15	Oct. 30
Cosmos Imp.	25c	Nov. 15	Oct. 30
Do., pref.	$1.25	Jan. 15	Dec. 31
Can. Iron Fds. .. pf.	$1.50	Nov. 15	Oct. 31
Candn. Car, pfd.	44c	Jan. 10	Dec. 27
Do., arrears	50c	Nov. 22	Nov. 10
Candn. Oil	12½c.	Nov. 15	Nov. 1
Do., pref.	$2	Jan. 1	Dec. 20
Dom. Bridge	30c	Nov. 15	Oct. 30
Dom. T. & Ch.,pf.	$1.37½	Nov. 15	Oct. 20
Frost Steel, 1st pf.‡	$19.25	Nov. 10	Nov. 1
Foundation Pete. ..	*	Nov. 20	Oct. 31
Inter. Nickel, c.	50c	Dec. 31	Dec. 1
Do., extra	25c	Dec. 31	Dec. 1
Island M'tn, M. ..	5c	Nov. 15	Nov. 3
Kelvinator, pfd. ..	$1.75	Nov. 15	Nov. 4
Loblaw Groc., A, B	25c	Dec. 1	Nov. 10
Do., extra	12½c	Dec. 1	Nov. 10
Lake of W. M., pf.	$1.75	Dec. 1	Nov. 15
Do., arrears	$7	Dec. 1	Nov. 15
McColl-Front., c. ..	10c	Dec. 15	Nov. 15
McIntyre Porc.	50c	Dec. 1	Nov. 1
Monarch Rylties ..	*	Nov. 27	Nov. 20
N. S. Light & Pr., p.	$1.50	Dec. 1	Nov. 15
Paterson, Wm., pf.	$1.75	Nov. 1	Oct. 15
Ont. Steel, pfd. ...	$1.75	Nov. 15	Oct. 31
Penmans	75c	Nov. 15	Nov. 5
Quebec Power ...	25c	Nov. 15	Oct. 25
Royal Bank	$2	Dec. 1	Oct. 30
Rolland Paper	25c	Nov. 15	Nov. 5
Do., pref.	$1.50	Dec. 1	Nov. 15
Shaw. W. & P. ...	20c	Nov. 15	Oct. 27
So. Can. Power, c.	20c	Nov. 15	Oct. 30
Sullivan Cons.	2½c	Nov. 15	Oct. 30
S. Am. Gold & Plat.	10c	Nov. 24	Nov. 9
St. Law. Corp., A pf.	‡$1	Nov. 15	Nov. 1
Stand. Steel, A, pf.	75c	Jan. 1	Dec. 15
Do., arrears	75c	Jan. 1	Dec. 15
Toburn Gold	2+1c	Nov. 22	Oct. 22
Union Gas	20c	Dec. 15	Nov. 20
United Corp., A .	‡75c	Nov. 17	Oct. 30
United Fuel, pf. ..	$1	Dec. 15	Nov. 30
United Steel, A pf.	75c	Nov. 1	Oct. 30
Vulcan Oils	5c	Dec. 20	Nov. 30
Ymir Yankee Girl..	1c	Dec. 1	Nov. 10

*Amount not yet set. ‡On arrears.

Railway Earnings

Central Vermont Railway
(Controlled by C.N.R.)

Nine Months Ended Sept. 30

	1937 $	1936 $
Operating revenues ...	4,853,100	4,303,939
Less: Oper. exps.	4,106,290	4,193,303
Tax accruals	187,498	174,040
Equipment rents ...	332,156	169,578
Fixed charges	974,668	972,980
Add: Other income ...	20,713	20,047
	735,800	1,185,915

Month of September

	1937 $	1936 $
Operating revenues ..	472,981	477,148
Less: Oper. expenses ..	430,987	471,238
Tax accruals	17,859	21,617
Equipment rents ...	34,919	67,620
Fixed charges	107,433	106,628
Add: Other income ..	1,971	1,958
Deficit	116,247	187,998

Canadian Pacific Railway

	1937 $	1936 $	Increase $
September:			
Gross earns.	14,355,271	14,312,164	43,107
Work. exps.	11,213,558	10,889,280	324,278
Net earns. ..	3,141,712	3,422,884	*281,171
Nine Months:			
Gross earns.	105,101,990	99,943,579	5,158,410
Work. exps.	92,028,049	88,116,110	3,911,938
Net earns...	13,073,941	11,827,468	1,246,472

* Decrease.

Week in Wheat

Market Weakness Due To Chicago Uneasiness

Prospect of Crop Control Legislation and Possible Process Tax Causes Apprehension Among Observers

From Our Own Correspondent

WINNIPEG.—Uneasiness at Chicago, arising from fear of reportedly imminent action by Congress affecting wheat, appears to have been largely responsible for weakness in the wheat markets in the early part of the week.

Prospect of legislation for crop control has inspired no anticipation of higher prices, but rather apprehension of untoward effects of renewed Government interference with the normal workings of wheat production and marketing. Observers are particularly nervous over possibility of a processing tax.

News from Australia and the Argentine held bullish tendencies in both cases. Opinion in Liverpool appears to be that the Orient will take less than its usual volume of Australian wheat. In this event, the proportion of the crop seeking European outlets may be larger than usual. Fairly extensive frost damage is reported from the Argentine, and reports of unfavorable Australian conditions have been renewed.

Any weakness at Chicago tends to be reflected at Liverpool, increasing the likelihood of hard red winter wheat going into export channels. Some small quantities of No. 3 Northern wheat have been sold out of Vancouver. A few cars of that grade have been routed to that port from Alberta elevators, apparently in the hope of improving spreads rather than on the basis of present prices, which are still at discounts up to 11 cents a bushel under Fort William values.

Premiums Moderate

There was a slight moderating of extremely high premiums for cash wheat of the higher grades over the future as the October delivery drew toward its close and November began to be of more importance. There was thus a somewhat greater decline in actual prices than was indicated in quotations for futures. High premiums for the top grades are expected to continue as the comparative scarcity of grades 1 and 2 northern will increase as the season advances, but there is nothing in experience to suggest whether such premiums are more likely to range in the neighborhood of 15 or of 30 cents a bushel.

* * *

Durums Moving Slowly

Quantities of durum wheat leaving Canada are still extremely small. Some traders showed their faith in ultimate prices by accumulating durums in quantity a few weeks ago. A market may develop later in the season, when Italy and Germany are expected to absorb larger quantities of imported wheat. Or their present relative cheapness may tempt some British and Continental millers to work off small quantities in flour mixtures. There is also a possibility of carrying durums to advantage into another crop year. Both in Canada and in the United States there is likely to be a considerable switch from durum into Thatcher wheat next spring, and another year might find the United States short of this type of macaroni wheat. Perhaps more important, the Canadian poultry industry, which absorbs yearly many million bushels of wheat, may turn this year to durum grades, instead of to low grade wheats of the Marquis type.

* * *

Argentine Prospects

Argentina contributed the most important news to the wheat market last week, news of alternately strengthening and weakening significance. First there was a report of a government decree forbidding further exports of old crop wheat, due, according to dispatches, to uneasiness as to rising internal prices for bread. It was already evident from statistics, if the statistics were right, that Argentina had reached the limit of her wheat exporting ability for the current season, but the government action shows clearly that there are no reserves that had hitherto escaped notice.

Official report of Argentine seeded wheat acreage of over 19 million might have been construed as bearish, except for strong expressions of opinion by private observers that at least 1.5 million acres will not produce a crop. Reports of condition of standing crop are conflicting, some indicating satisfaction and others the opposite.

Brazil, it is now thought, will have to look to the United States for 10 million bushels or so of wheat or the equivalent in the form of flour before new crop Argentine wheat is available in January.

* * *

Slow U. S. Selling

Marketing of the large United States wheat crop this season is still causing some concern. After two years complete absence from the ranks of exporters, shippers in that country are experiencing difficulty in reopening old channels and in overcoming almost prohibitive tariffs in former big European importing countries. Exporters do not want to see any large accumulation of carryover next August. Some years ago, such an accumulation in the States eventually resulted in government experiments in control which were generally regretted by the grain trade and the American milling industry. Recently there has been some improvement in the rate of export, but this is not yet sufficient to guarantee complete disposal of the present exportable surplus.

DIVIDEND NOTICES

The Canadian Bank of Commerce

Dividend No. 203

Notice is hereby given that a dividend of two per cent in Canadian funds on the paid-up capital stock of this Bank has been declared for the quarter ending 30th November, 1937, and that the same will be payable at the Bank and its Branches on and after Wednesday, 1st December next, to shareholders of record at the close of business on the 30th October, 1937. The Transfer Books will not be closed.

By Order of the Board,
A. E. ARSCOTT,
General Manager.

Toronto, 15th October, 1937.

Banque Canadienne Nationale

DIVIDEND NOTICE

Notice is hereby given that a dividend of two per cent (2%) (being at the rate of 8% per annum) has been declared by the Directors of the Banque Canadienne Nationale on the paid-up capital stock of the Bank for the quarter ending on the 30th day of November, 1937. This dividend, bearing the number 187, will be payable at the Main office or at the branches of the Bank, on or after the first day of December, 1937, to the shareholders of record on November 15, 1937.

By order of the Board,
CHARLES ST-PIERRE,
General Manager.

Lake of the Woods Milling Co. Ltd.

NOTICE IS HEREBY GIVEN THAT a Dividend of 1¾% has been declared on the Preferred Shares of the Company payable on December 1st, 1937, to Shareholders of record at the close of business on November 15th, 1937, and that a further Dividend of 7% has been declared on such Preferred Shares of the Company payable on December 1st, 1937, to holders of such shares on record at the close of business on November 15th, 1937, the same being arrears of dividend with respect to such shares for the period extending from September 1st, 1933, to August 31st, 1934, inclusive.

By Order of the Board,
D. A. MacINNES,
Secretary.

October 27th, 1937.

Borden's

COMMON DIVIDEND
No. 111

A quarterly dividend of forty cents (40¢) per share has been declared on the outstanding common stock of this Company, payable December 1, 1937, to stockholders of record at the close of business November 15, 1937. Checks will be mailed.

The Borden Company
E. L. NOETZEL, *Treasurer*

Vulcan Oils Limited

Notice is hereby given that a dividend of FIVE CENTS (5c) per share has been declared on the issued Capital Stock of the Company payable on the 20th day of December, 1937, to shareholders of record at the close of business November 30th, 1937. The books of the company will be closed from the 30th day of November, 1937, to the 20th day of December, 1937, incl.

McCOLL-FRONTENAC OIL COMPANY LIMITED

Common Stock Dividend No. 33

NOTICE IS HEREBY GIVEN that a dividend of 10 cents per share has been declared on the no par value Common Stock of McColl-Frontenac Oil Company, Limited, for the Quarter ending November 15th, 1937, payable December 15th, 1937, to shareholders of record at the close of business on November 15th, 1937.

By Order of the Board,
FRED HUNT,
Secretary.

October 27th, 1937.

A. J. PATTISON Jr. & CO. Ltd.
Established 1907
CORPORATION SECURITIES
Royal Bank — EL. 5101
TORONTO

DIVIDEND NOTICES

The Corrugated Paper Box Company, Limited

Preferred Stock Dividend No. 19

Notice is hereby given that a dividend of 1¾% has been declared on the Preferred Stock of the Company, payable on the 1st day of December, 1937, to shareholders of record at the close of business on the 15th day of November, 1937.

Dated the 2nd day of November, 1937.

J. A. WHEALY,
Secretary.

Canadian Car & Foundry Company, Limited

Dividend Notice — Preference Stock

Notice is hereby given that a dividend of fifty cents (50c) per share on the paid-up Preference Stock of the Company to be applied on account of arrears of preferred dividends, has been declared, payable November 22nd, 1937, to Shareholders of record November 10th, 1937. Also that a dividend of forty-four cents (44c) per share on the Preference Stock of the Company for the quarter ending December 31st 1937, has been declared, payable January 10th, 1938, to Shareholders of record December 27th, 1937.

By order of the Board.
A. C. BOURNE,
Secretary.

Montreal, November 2nd, 1937.

Smaller Crop Brings Problem

Handling Facilities Are Geared Down—Milling Adjusted

The very small crop of Canadian wheat is producing an extraordinary situation in both domestic and foreign markets, comments the current weekly grain letter from Jas. Richardson & Sons. Milling practice at home and abroad has had to be adjusted in order to economize these limited supplies wherever possible. A great part of the vast equipment built up to handle a crop of half a billion bushels has had to be geared down to handle one of only 188 millions. Adding crop to end-of-year carryover gives, theoretically, 225 million bushels of wheat available for all purposes in Canada. Seed, feed and waste will take probably 55 millions, leaving 170 millions for human consumption. The buyer of milling wheat calculates differently, however. From this 170 millions he deducts about 30 millions of durums, 28 millions deliverable from the new crop and about 2 millions in the carryover, and places in a special category another 17 millions of winter wheat. Some carryover must be allowed for, so, on a liberal basis, if the crop turns out as estimated, buyers can figure on 110 millions of Manitoba Hards for which to bid throughout the crop year.

Quality is another factor. For several years there has been no difficulty in getting ample quantities of the top grades, but in 1937 the failure of most of the Saskatchewan crop from which comes our best protein wheat, rust and the preponderance of durums in the Manitoba crop, and disappointing returns from northern and central Alberta have reduced the proportions of Ones and Twos in the inspections to date to 19 and 17% respectively. For the whole of 1936-7 the proportion of Ones was 51% and Twos 19%. If we place the durums in a special category the proportion of One Northern and One Hard in inspections of common wheats to date is 26%, Two Northern 23% and Three Northern 30%.

Ogilvie Flour Income Gains

Earn $12.29 a Share; Investments Worth More; Outlook For Flour

From Our Own Correspondent

MONTREAL.—Ogilvie Flour Mills Co.'s financial statement for the year ended Aug. 31, 1937, shows net earnings available on the common stock of $12.29 a share, as against $10.54 a share in the previous year.

Income account shows operating profit higher by $42,000; investment income over $44,000, while dividends and profit on investment sold above that reported in 1936.

Particulars of the profit and loss accounts for the past two years follow:

Income and Surplus Account
Years Ended Aug. 31

	1937 $	1936 $
Oper. profit	863,630	821,488
Add: Invest. income ..	235,961	181,190
Divds. from subsid..	290,000	292,000
Prof. in invest. sold	198,466	132,325
Other profit*	......	20,468
Total	1,588,058	1,447,471
Less: Depreciation ...	155,172	172,500
Income tax	100,000	100,000
Pension fund	30,000	......
Prov. & mun. taxes	148,225	146,295
Legal expense	1,459	2,448
Directors' fees, etc...	90,950	95,406
Net profit	1,062,252	930,824
Less: Pref. divds.	140,000	140,000
Common divds.	600,000	600,000
Surplus	322,252	190,824
Add: Prev. surplus ..	2,310,628	2,119,804
Surplus forward	2,632,880	2,310,628

*On realization of fixed assets.

Working Capital

	1937 $	1936 $
Current assets	8,962,778	10,427,472
Current liabilities	900,095	3,111,732
Working capital	8,062,683	7,315,746

Bank Loans Out

The balance sheet features elimination of bank loans, which at the end of the 1936 year totalled $2.3 millions. Accounts payable and tax reserves show little change, while the earned surplus now stands at over $2.6 millions as against $2.3 millions a year ago.

Among the assets, cash on hand shows no material change, while accounts receivable are up $550,000 at nearly $1.9 million. Inventories show a small reduction, and now stand at $2.6 millions.

Investments and shares in wholly-owned subsidiary companies are shown on the books at $3,445,892 against which the fair market value totals $9,633,000. During the year there was a reduction in investments from $3,183,601 to $1,840,274. Despite this decline in the book value, the fair market value of holdings was nearly $500,000 greater than at the close of the 1936 year.

Other investments and mortgages showed a decline during the year from $1,012,155 to $850,657, while fixed assets were off from $2,878,242 to $2,805,683.

Export Outlook Indefinite

J. W. McConnell, president, is not particularly optimistic in his report to the shareholders. After pointing to the short crop this year and the unusually small carryover, he says that the price for high-grade Canadian wheats has advanced to levels above world parity, making it difficult for Canada to maintain her exports of flour in large volume during the current year.

Crow's Nest Pass Coal Suspends Work at Michel

All mining operations of the Crow's Nest Pass Coal Co. at Michel, B.C., will be suspended for several months as a result of the fire which swept the surface workings recently.

Officials of the company have announced that the plant will be replaced as quickly as possible. In the meantime production will be increased in the company's Coal Creek collieries.

Lake of Woods Pays Arrears

Distribution Cuts Balance Owing on Preferred to $7 a Share

From Our Own Correspondent

MONTREAL.—Directors of Lake of the Woods Milling Co. have declared a dividend of $7 a share on account of arrears, in addition to the regular quarterly dividend of $1.75 a share. With the latest declaration, which is payable Dec. 1 to shareholders of record Nov. 15, arrears on the preferred are reduced to $7 a share.

Objection was expressed at the annual meeting to the payment of preferred dividend arrears, while the company was paying interest on bank loans. Col. Frank S. Meighen, president, explained that the preferred dividends had to be paid in any case, and C. H. G. Shortt, director and general manager, pointed out that common shareholders had little cause for complaint as their position had been substantially improved as a result of the conversion of a working capital deficit of some $1.7 million into a net working capital position of about $800,000.

Gt. Lakes Power Earnings Higher

Increase Shown in Nine Months — Interest Earned Twice

Net profit of $28.33 per share on its preferred and $5.77 on the common is reported by Great Lakes Power Co. for the nine-month period ended Sept. 30, 1937. In the corresponding period of 1936 net profits were $21.06 on the preferred and $3.95 on the common. Preferred dividend requirements in the nine-month period are $5.25.

The increase in earnings is accounted for by a substantial rise in power revenues, which increased from $582,607 in 1936 to $640,023.

Quarterly Earnings
Three Months Ended Sept. 30

	1937 $	1936* $
Gross earnings:		
Electric	215,174	190,415
Hydraulic	15,713	15,713
Total oper. revenue ..	230,887	206,128
Add. Other income ..	25,891	27,642
Less: Oper. expenses ..	33,763	22,712
Maintenance	6,745	6,084
Depreciation	27,070	27,029
Taxes, prov. & local	13,949	14,231
Income taxes	12,358	6,602
Net earnings	162,891	157,114
Less: Bond interest ..	70,156	36,255
Gen. interest	1	49,375
Amort. of bond disc. and exp.	6,763	899
Taxes assumed on int.	......	26
Net profit	85,891	70,559
Less: Pref. dividends ..	13,125	13,125
Surplus for period	72,846	57,434

Nine Months' Earnings

	1937 $	1936* $
Gross earnings:		
Electric	640,023	582,607
Hydraulic	47,122	47,140
Total oper. revenue ..	687,145	629,748
Add: Other income ...	32,130	34,208
Less: Oper. expenses..	97,299	67,645
Maintenance	18,780	19,289
Depreciation	80,946	81,068
Taxes, prov. & local	41,876	42,442
Income taxes	37,037	22,441
Net earnings	443,337	431,070
Less: Bond interest ...	210,469	77,595
General interest ...	3	194,129
Amort. of debt disc. and exp.	20,288	899
Taxes assumed on int.	86	526
Net profit	212,492	157,962
Less: Pref. dividends..	39,375	39,375
Surplus for period ...	173,117	118,546

* After adjustments.

Authorize Rise In Freight Rates

From Our Own Correspondent

MONTREAL.—The Board of Railway Commissioners for Canada has authorized an increase in through rates and charges on selected commodities between United States and Canada, in both directions, to the extent that they will conform with increases granted recently to United States railways by the Interstate Commerce Commission.

Rates contained in freight tariffs applicable on import and export traffic moving through Canadian and U. S. ports to and from stations in Canada and the United States, when such export and import rates are constructed in relationship to those applicable with the U.S., may also be increased to the extent authorized by the I.C.C.

Booth, Brompton Sell Output to I.P.

From Our Own Correspondent

MONTREAL.—International Paper Co. has purchased the entire 40,000-ton output of the Brompton mill for a period of five years.

Arrangements have also been made by the same company to buy the surplus tonnage of the Booth mill, in Ottawa, which has a total of about 25,000 tons.

The disposal of their entire output by these two mills eliminates the maintenance of expensive selling organizations and, at the same time, concentrates the Canadian production into fewer hands.

Inter. Milling Profits Rise

Earnings of $28.56 Share on Preferred Affected By Issue of Stock

Net profits of International Milling Co. were equivalent to $28.56 a share on the 5% preferred in the year ended Aug. 31, 1937. The 1937 results apply on 48,650 shares outstanding and compare with $30.34 a share on 44,717 shares in the preceding year. The company redeemed 1,067 shares in 1937 but sold an additional 5,000 shares privately, thus accounting for the increase.

Net available for common dividends was equivalent to $11.91 a share in the latest period compared with $12.04 a share. The company paid dividends in common stock of its subsidiary, Robin Hood Mills Ltd., to common shareholders in 1937 and 1936.

The company's earnings have shown little fluctuation for the past several years as the plants in the United States are not affected by Canadian conditions.

Among current assets, cash of $1.4 million was substantially lower than the $3.3 millions reported a year earlier. Largest change in current liabilities was shown in notes payable, which were $3.5 millions, a decrease of $922,000.

CONSOLIDATED SURPLUS ACCOUNT
Years Ended August 31

	1937 $	1936 $
Net profit	1,389,385	1,356,709
Less: Pref. divds.	241,169	196,482
Common divds.†	607,479	882,628
Surplus for year	540,737	277,599
Add: Prev. surp.	8,037,815	8,090,020
Matured insurance ..	202,478	50,705
Prem. on sale of 1st pref.	15,000	......
Less: Retire. & issue of preferred	*13,295	17,645
Common, retired	360,805	312,159
Matured insur. set aside	202,478	50,705
Bal. forward‡	8,246,042	8,037,815

* Credit.
† Payable in common stock of Robin Hood Mills Ltd.
‡ Comprising capital surplus of $1,013,120 in 1937 and $1,361,488 in 1936, and earned surplus of $7,232,922 and $6,676,327, respectively.

WORKING CAPITAL

	1937 $	1936 $
Current assets	14,951,781	15,531,550
Current liabilities	5,384,877	6,749,332
Working capital	9,566,904	8,782,218

Lower St. Lawrence Power Reduces Domestic Rates

From Our Own Correspondent

MONTREAL. — Lower St. Lawrence Power Co. announces reduction in electricity rates to consumers in Rimouski and district of about 25% or more, according to consumption.

Electricity rates for commercial users, it is stated, have been reduced at various times within the past few years and the latest reduction is for the benefit of domestic consumers.

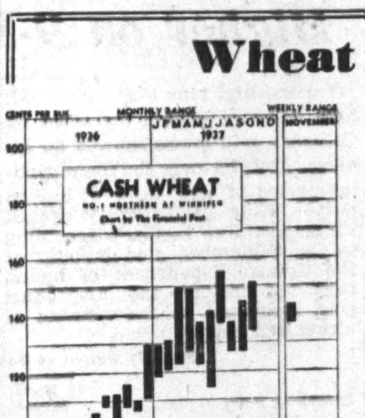
S. H. Bullett Promoted By Canadian National

From Our Own Correspondent

MONTREAL.—The Canadian National Express has announced the appointment of Stanley H. Bullett as superintendent of the eastern and northern divisions with headquarters in Toronto. Mr. Bullett succeeds G. J. Bothwell, who has retired on pension.

The appointment of I. M. Harper as chairman of the Express Traffic Association of Canada to succeed Mr. Bullett has also been announced.

Wheat Prices



(Cash Quotations)

	For Week Nov. 2 High	Low	Prev. Week High	Low
1 Man. Hard ...	1.43⅝	1.37⅛	1.51½	1.46⅝
1 Northern	1.43⅝	1.37⅛	1.51⅛	1.46⅝
2 Northern	1.37⅞	1.32⅛	1.42⅛	1.38⅝
3 Northern	1.16⅞	1.11⅝	1.19¾	1.16⅝
4 Northern	1.09⅞	1.04⅛	1.14½	1.10⅝
5 Wheat	1.05⅛	.99⅛	1.08⅛	1.05⅝
6 Wheat	1.02⅝	.94⅛	1.04¼	1.01⅞
Feed Wheat	.77⅞	.72⅛	.83½	.77⅞
Vancouver: Week to Nov. 1:				
1 Northern	1.34	1.27⅝	1.34⅝	1.27

Competitive Export Prices:

Oct.-Nov. shipments:	Week to Nov. 2 High	Low
No. 1 North. (Atlan.) ...	1.74⅝	1.64⅝
No. 3 North. (Atlan.) ...	1.43⅞	1.40⅝
Australian	1.38⅝	1.31
Indian (new crop)	1.35⅛	1.32¼
U. S. Hard Winters	1.37⅛	1.35⅛
Argentine (Rosafe)‡	1.27⅛	1.26⅝
Rumanian	1.20⅞	1.19⅝
Russian	1.26¾	1.24

‡Jan.-Feb., speculative offers.

Winnipeg Grain Futures

Week to Nov. 9, 1937

Crop year from Aug. 1, 1937 High	Low		Open. Oct. 27	High for week	Low for week	Close Nov. 2
		Wheat				
1.30	1.18¼	Oct.	1.27	1.27⅞	1.22¼	....
1.34⅝	1.17¼	Nov.	1.24⅝	1.25⅛	1.17¼	1.18⅛
1.29⅛	1.13¾	Dec.	1.20⅛	1.20⅝	1.14⅝	1.15⅛
1.30⅝	1.12½	May	1.17¾	1.18⅝	1.12⅛	1.13¼
		Oats				
.55¾	.43¾	Oct.	.52¾	.54½	.50⅞	....
.52⅛	.49¼	Nov.	.49½	.51⅞	.49⅛	.49⅛
.51⅝	.40¼	Dec.	.47	.48	.45⅛	.45⅝
.51	.42½	May	.45	.46¼	.44	.44⅛
		Barley				
.67½	.54⅝	Oct.	.62¼	.62¼	.60⅛	....
.61⅞	.59⅛	Nov.	.60⅛	.61⅛	.59⅛	.59⅛
.65⅞	.52½	Dec.	.60¼	.60⅝	.57⅛	.57⅛
.64⅛	.53¼	May	.58¾	.58⅝	.56	.56
		Flax				
1.85¼	1.72¾	Oct.	1.80	1.85⅛	1.79⅛	....
1.79⅝	1.78⅛	Nov.	....	1.79⅝	1.78⅛	1.78⅛
1.80¼	1.72	Dec.	....	1.78	1.76	1.76
1.82	1.74	May	1.77	1.77⅛	1.75	1.75
		Rye				
.96¼	.78	Oct.	.84	.84	.81	....
.90	.77½	Dec.	.83¾	.83⅝	.79¼	.79⅛
.95⅝	.78⅝	May	.85	85	.80	.81

Lake Sulphite Beats Schedule

Plant Expected to Open in March — Installing Machinery

From Our Own Correspondent

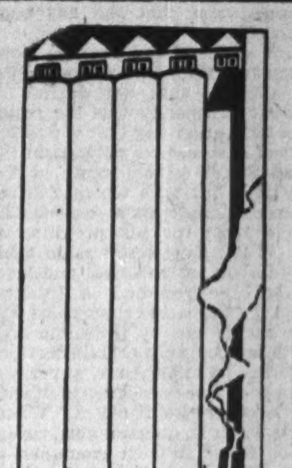
MONTREAL.—Lake Sulphite Pulp Co. reports that mill construction is nearing completion. Structural steel erection and concrete pouring operations are nearly finished, with the roofing on all buildings well advanced. Installation of machinery and equipment has begun.

Dredging of the harbor has been completed. Both woods operations and mill erection are proceeding according to programme, which calls for initiation of operations toward the end of next March.

Employ 2,500 Men

At the present time there are about 1,500 men employed in the mill. Another thousand men are at work in the woods.

Nearly 30,000 cords of pulpwood are already cut and piled within 20 miles or less of the mill. Winter operations call for a cut of 100,000 cords.



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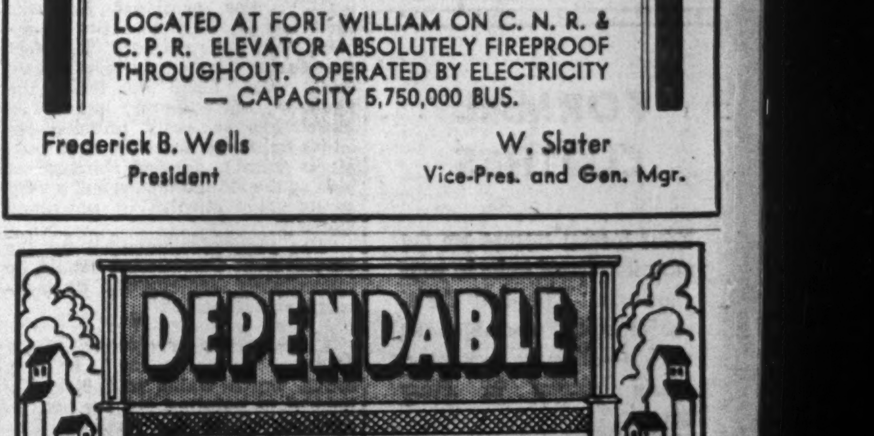

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The Voice of the Maritimes

Nova Scotia and Reconfederation

Rowell Commission Awaited With Mixed Feelings After Previous Experiences

Nova Scotia's reaction to the appointment of a national finance commission is here discussed by Dr. Herbert L. Stewart, nationally known as CBC commentator on public affairs and editor of "The Dalhousie Review." In later articles Dr. Stewart will deal with the psychology of the other Maritime Provinces. Dr. Stewart's column on the maritimes will be a regular feature of The Financial Post.

By HERBERT L. STEWART

HALIFAX.—The average Nova Scotian has mingled feelings about the Rowell Commission on Public Finance. He is not, in general, a believer in Commissions, perhaps for the reason Coleridge once gave for disbelief in ghosts—"having seen too many." But with the interest of his province at heart, the Nova Scotian is glad of at least one Commission he can remember, about 10 years ago. And he is not altogether willing to see the Duncan Report overhauled as "part of a larger problem." He has learned to be apprehensive of these larger investigations, when they must proceed in co-operation with the sort of partner that Lord Rosebery called "predominant."

Moreover, we have been rather sated with enquiries, making us feel as if we were in a continuously pathological state. The financial claims of Nova Scotia against the grim authority to which we allude as "Ottawa" have been investigated and reported upon, not only, once, but several times, by Commissioners of all sorts, some appointed by a government, some appointed by themselves, within the last dozen years. It is consolatory to Nova Scotian pride to realize that this time other provinces too will figure as specimens in the pathology of finance. But, for the reason I have just given, though this is consolatory to pride, it is not quite encouraging to prospects.

"The Big Five"

A coming "Conference of the Big Five" (one from Ontario, one from Quebec, one from Manitoba, one from British Columbia, one from Nova Scotia) makes us think of the "Big Four" at Versailles, with the róle Orlando had to play, negotiating with Clemenceau, Lloyd George, and Woodrow Wilson.

We foresee a good deal that will happen again, not although, but rather because, it has happened before at such a gathering many times. Lawyers and historians and political scientists have squabbled in the press to very little purpose about what was promised to the East as inducement to enter the great pact of 1867. They have argued again and again, with almost equal plausibility, that Nova Scotia has been defrauded and that she has been pampered.

From boyhood the average Nova Scotian has been familiar with the rival theories that her decline in economic prosperity was the result of Confederation and that it was the result of certain new policies in the United States which began at the same time, but with which Confederation had nothing to do. So he expects that, for his province at least, at this new commission table the old clash of historical and legal wits will be resumed; a fruitless debate, in which the champions will evermore go out by the same door they entered. And a certain instinct, reinforced by experience, warns him of one probable consequence of such debate, otherwise fruitless. Where innovation is so questionable, refuge will be found in such economies as profit "the predominant partner."

References Hopeful

And yet, mingled with this mood of sombre fatalism, there comes back a thought of political capacity in the men whom his province has reared, and the Nova Scotian permits himself to hope that among the kindred of those who did so much to build Confederation there shall not be wanting those equipped for repairing it. Especially as this time, in the terms of reference, the Commissioners are not only permitted but encouraged to make their enquiries fundamental.

So often, in the past, the enquiries have been merely legal—in that sense in which the legal and fundamental are so far apart! No wonder we waited, with considerable anxiety, to find out whether it was once again upon the construction of a Contract that enquiries were to be concentrated. For we knew that in the only respect in which that problem was soluble, it had been solved long ago (not to our advantage) by the lawyers; and that in those respects in which it was insoluble, it would still be available indefinitely for industrious research at American institutions leading to a Ph.D. degree. But hope rose when we read that three or four specific problems sent to the Commission are not to be taken as "limiting the general scope of the enquiry," and that the costs of government may be studied "under any heading."

That sounds like a call to the Commissioners to constitute themselves "Fathers of Re-Confederation." Their task will be to consider not what is the minimum which will constitute fulfillment, or the maximum which can be exacted, under a Contract made 70 years ago. It will be to reshape, for a world which has profoundly changed, the conditions of a partnership in which no member's real gain can be achieved by another member's loss.

Larger View Indicated

Is this appreciated by the Commissioners? Is it appreciated by the government which in turn (unless the electorate meantime should otherwise decide) will have to deal with the coming Report? There are tokens of the larger view in quarters which are significant.

Four years ago, in the "Introductory Statement" he contributed to the Report of the Economic Enquiry in his own province, the Premier of Nova Scotia recalled what had happened a few months earlier in Newfoundland. A Commission had been at work there too, and among the suggestions was the old familiar one—that the Ancient Colony should join Canada. Witness after witness had protested against such a proposal, on the ground that the fate of the Maritimes in Confederation should be a sufficient deterrent! Newfoundlanders had no mind to play, in like manner, "the part of Cinderella in the Canadian mansion." Mr. Macdonald not unnaturally asks that the scheme of things should be so readjusted as to make Nova Scotia no longer suitable to quote for purposes of warning elsewhere.

Dr. MacKay's Views

The same enquiry yielded a product more notable at the moment, because it was a memorandum from one of the men who are now the "Big Five," on what touches this province very closely indeed. Dr. R. A. MacKay, in a most incisive document, set forth what he called "Nova Scotia's Case for Revision of Financial Arrangements with the Dominion." He there pointed out how, time after time, for other provinces, the principle of fiscal need rather than contractual obligation had prevailed in the matter of debt allowances, and how Nova Scotia may still claim benefit from a pact construed elsewhere in the spirit rather than in the letter. He spoke of impairment of our provincial sources of revenue through federal policies—such as the tariff or the restriction of income tax to Dominion use. And although all this was presented with professorial detachment, as of one opening rather than settling an issue, to those who could read between the lines it was apparent what upshot was intended. That incisive apostle of justice is now a Commissioner.

Not less heartening were the words of another, written likewise in academic irresponsibility, but memorable for the eloquence which now has power to translate itself into action. Hon. N. McL. Rogers, in 1933 Professor in Queen's University, now Minister of Labor, has no narrow literal conception of what was done by contract in 1867. To him was committed by the Government of Nova Scotia the preparation of its statement on the fiscal disabilities of the province, and surely we have nothing to add to these words:

"We contend that the British North American Act is not final or unalterable, but that on the contrary its future revision was clearly implied in the character of the negotiations that preceded its enactment, and in the assurances given by the British Government that its terms would be modified in so far as they were prejudicial to Nova Scotia and the Maritime portion of the Dominion.

"A federation is a union of existing political communities for declared objects. Its purpose is defeated if by the application of its terms in altered circumstances or because of policies adopted by the national government some of the political and social entities comprising it are reduced to the position of tributary or client states, and denied the conditions within which they may preserve their economic life from progressive deterioration."

Nova Scotians may well ask of Mr. Rogers, in ancient language of appeal: "Who knoweth whether thou art come to the kingdom for such a time as this?"

Swift Current Plan Released

Refinancing Proposal Provides for Cut in Bond Interest

Cancellation of all accumulated interest arrears to the end of 1936 and a downward revision of interest payments in 1937 and the following five years are suggested in the proposal now being submitted to the ratepayers of Swift Current, Sask., following the meeting with bondholders' representatives in Toronto.

The proposed agreement, to replace the present one which terminates at the end of this year, takes in the period from Jan. 1, 1938, to Dec. 31, 1942. It calls for cancellation of interest arrears to the end of 1937, subject to such interest for 1937 as the city supervisors determine the municipality can pay. Interest for 1938 is to be at the rate of 1%, and for 1939, 1940, 1941 and 1942 at the rate of 2½%. Securities and cash in the city sinking fund, other than city and school bonds, are to be used in the purchase of outstanding city and school debentures, while securities and money in the city's electric light and replacement funds will be set aside for capital purposes, the fund to be maintained at a minimum of $25,000.

City supervision will be under a board of supervisors, as at present, with probably three members instead of five.

Members Ask Fallow Resign

Judge Blames Minister for Excessive Road Costs

Release of the report of Justice H. W. Lunney's judicial investigation into provincial highway costs in Alberta has resulted in opposition members of the Legislature demanding the resignation of Hon. W. A. Fallow, minister of public works, on whom the report places blame for excessive costs.

Dealing with the construction and maintenance costs of the Edmonton-Wetaskiwin and Jasper highways, the report states that "excessive costs" of the former were "to a very considerable extent due to the direct action of the minister (Hon. W. A. Fallow) through using antiquated road-building equipment."

The report also states "that there was negligence and carelessness, and unnecessarily expensive systems adopted throughout, and that there was a lack of that degree of inspection which anyone might expect on projects of this nature."

No evidence of "graft or wrongful payment of money or wrongful acceptance of money on the part of anyone connected with the various transactions relating to the building of these two roads" was found by the commissioner.

A Job to be Done—

W. G. Yule, Supervisor, Royal Bank, Regina, Sask.: "I had the pleasure of hearing Mr. Purvis speak in Regina on the unemployment problem and I believe what he had to say resulted in creating a feeling in his hearers that the Government should do all possible to end the demoralizing existing situation.

"We rather think that experts with a full knowledge of the problem should be able to work out schemes to find work on a basis whereby the cost would not be very much greater than is now being expended for relief, without anything being received in return."

* * *

C. F. Sise, president, Northern Electric Co.: "I am in entire agreement with your editorial. The fact that during the recent depression no effort was made to train the younger unemployed in skilled trades has seriously affected re-employment as we now find ourselves with a decided shortage of men in the skilled trades and a very considerable surplus of untrained workers.

"The plan recommended by the Employment Commission should be immediately implemented by Government authorities."

* * *

A University Professor: "Your editorial appears to me to be very much worth while, and distinctly helpful in pointing out the serious problem which the National Employment Commission has faced.

"I would add only one comment: It is important not only that there should be training schemes both for youth and others, but that in all phases of the relief programmes, policies and procedures should be shaped to the end of increasing the employability of the unemployed.

"Even relief works undertaken on an economical scale, adequately supervised, and given the special attention of a placement officer, may be made a suitable type of training and reconditioning for certain groups. In other words, it is important that all means should be used to the desired end."

* * *

Rev. Jno. Gibson Inkster, Knox Church, Toronto: "I have read your editorial with a great deal of interest and have no hesitation in saying that I agree with you in saying more should be done toward improving the employability of many of the men and women at present unemployed."

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McRae Seen as Choice For Tory Organizer

Ottawa Also Discussing Election Prospects for 1938

From Our Own Correspondent

OTTAWA.—Not since the eventful days of the Bennett-Stevens breach in the late Conservative Government has the Ottawa air been so laden with what Rt. Hon. Arthur Meighen used to term "adventurous prognostication." Prophecies which range all the way from incidental changes in the cabinet to a general election in the autumn of next year may be had for the listening.

That the spirit of change is riding the Ottawa wind, no one who has experienced the unsettled atmosphere of the Capital in recent weeks can reasonably doubt. That everything will happen which is being so freely predicted—including the defeat of Premier William Aberhart in Alberta if he calls a general election—may be questioned. But available investigation would suggest that the following major developments may reasonably lie in the cards:

(1) The appointment of General A. D. McRae as national organizer of he Conservative Party.

(2) A Federal general election in the fall of 1938.

(3) Substantial reductions in tariffs at the approaching session of Parliament.

(4) Reduction of either the lower bracket income taxes or the sales tax, or both, in the coming budget.

Heal Bennett-McRae Breach

General A. D. McRae, Conservative Senator from Vancouver, was the man who powered the successful Tory drive for power following the 1927 Winnipeg Convention. Subsequently, coolness developed between himself and Mr. Bennett, and when the 1935 election rolled around, he neither captained the organization, nor was he even on the sidelines. Now, superseding a report already in circulation to the effect that John R. MacNicol, M.P., was to be placed at the throttle of the party machine, the suggestion is heard that Mr. Bennett, who cannot have been deaf to recent rumblings of dissatisfaction with his leadership, intends to patch up the differences between himself and General McRae and recall the latter to his old post.

The prospect for a 1938 election is based on the known fact that instructions have gone out to the Federal Liberal organization to be prepared for developments that may, or may not, materialize. The theoretical justification for an election is the lively expectation that it will be impossible to secure the amicable agreement of Provincial Governments in recommendations which the Rowell Commission is likely to make for revision of the British North America Act.

Tariff Reductions

That tariffs will be reduced at the approaching session, along with taxation, is a proposition which follows only partially from the fact that election tactics are reported contemplated. The greatest factor in this regard is undoubtedly the pressure from the West. Dissatisfaction on this score is wide-spread across the Prairies. In addition, certain economic advisers of the Government are urging that the Dominion is experiencing an unbalanced recovery in her trade. Exports, which for the fiscal year 1937 exceeded one billion dollars, were too far ahead, it is claimed, of imports, which were anly something over $600 millions. The greatest prosperity flourishes in the Dominion, it is argued, when exports and imports are in approximate balance, as was the case in 1929.

Consequently, the ministry is likely to adopt the deliberate policy at the coming session of Parliament of encouraging imports by substantial tariff reductions. Furthermore, such a course will be linked up with a proposal to reduce first the sales tax, and then possibly income taxes.

Abitibi Hearing Is on November 10

Court to Rule on Reorganization Plan Through Sale of Assets

Motion to order and approve the sale of the assets and reorganization of Abitibi Power & Paper Co. will be heard before Mr. Justice McTague at Osgoode Hall, Toronto, on Nov. 10. The motion is being entered by Montreal Trust Co. under the provisions of the Judicature Amendment Act, 1935 (Ontario).

The assets would be sold to a new company to be formed under the plan adopted by bondholders at the meeting on Oct. 15.

Bullion Output for Ontario Higher on 9-Month Showing

For the first nine months of 1937, total value of bullion marketed by Ontario's gold mines showed an increase of 9.87% over the corresponding period of 1936, value of bullion output being $65,137,357 as against $59,284,928. The increase, according to the September gold bulletin of the Ontario department of mines, does not include the by-product gold recovered in the refining of nickel and copper.

Total production for September was $7,182,487, compared with $7,400,247 in August. Decrease is more apparent than real, since the short month of 30 days gives an average daily production value of $239,416, while in August it was $238,717. Tonnage milled, however, increased from 723,887 tons in August to 742,357 tons in September, the highest rate yet recorded.

Comparative production figures follow:

Monthly Output of Ontario Gold Mines—1936-37

	1936		1937	
	Tons Milled	Value $	Tons Milled	Value $
Porcupine Belt:				
Jan. to June	1,936,190	16,745,920	2,096,701	19,127,047
July	338,885	3,234,931	364,190	3,340,497
August	350,788	3,065,100	367,769	3,335,350
September	340,930	2,985,978	362,561	3,242,081
Total	2,966,793	26,031,929	3,191,221	29,044,975
Kirkland Lake Belt:				
Jan. to June	1,066,780	17,049,017	1,148,342	17,601,120
July	188,918	2,820,900	204,703	3,002,529
August	186,008	2,731,137	207,116	2,839,789
September	177,994	2,622,448	202,212	2,755,517
Total	1,619,700	25,223,502	1,762,373	26,198,955
Matachewan:				
Jan. to June	189,139	732,674	228,893	864,963
July	31,837	109,472	39,380	162,394
August	31,602	115,031	40,733	170,006
September	29,555	104,241	40,778	142,859
Total	282,133	1,061,418	349,784	1,340,222
Northwestern Ontario:				
Jan. to June	524,647	4,442,046	604,915	5,431,099
July	87,833	776,154	104,607	1,024,974
August	98,031	841,857	108,289	1,055,102
September	106,469	908,072	136,806	1,042,030
Total	816,980	6,958,129	954,597	8,553,205
Total for Ontario:				
January	605,355	6,234,414	691,348	7,120,010
February	583,145	6,111,006	622,273	6,895,604
March	642,279	6,714,506	692,742	7,308,394
April	616,493	6,646,735	675,814	6,979,588
May	640,699	6,511,801	699,316	7,315,790
June	628,585	6,751,195	697,357	7,404,834
July	647,473	6,941,457	712,860	7,530,394
August	668,429	6,753,125	723,887	7,400,247
September	654,948	6,620,739	742,357	7,182,487
Grand total	5,685,606	59,284,978	6,257,975	65,137,357

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Russell D. Bell, of Greenshields & Co. Montreal who is to be elected a governor of the Investment Bankers Association of America.

Sinking Fund May Be Used To Pay Loan

Vancouver Seeks Right to Sell Securities, to Buy Unsold Offering

From Our Own Correspondent

VANCOUVER.—Proposal of the city of Vancouver to seek authority from the British Columbia Legislature to sell sinking fund securities in order to purchase unsold city by-law bonds now held by the bank as security on its civic loan of $4.9 millions is opposed by Vancouver bond dealers who point out that such procedure would further weaken the sinking fund position.

The city's plan, as announced by Mayor George C. Miller, would simultaneously reduce the bank loan and release thousands of dollars for public works. The mayor says that while the city might not use its prerogative to sell government debentures now held in the sinking fund it would, if permission were granted, be allowed to sell such bonds and replace them with its own securities.

By purchasing its own debentures the city would not only reduce its bank loan, on which it is paying 4%, but would be credited with the difference between the amount which the bank has loaned and market value of the bonds.

Buy Unsold Bond

As funds are available, it is first proposed to buy into the sinking fund blocks of $325,000 unsold debentures from 1931 by-laws. At present, the bank has advanced about $2.7 millions against the bonds. When they are all credited to the city as a sinking fund investment, approximately $500,000—the difference between the loan and market value of the bonds—will be available.

Chief spokesman for the opposition to this plan is Lyall Fraser, Vancouver bond dealer, vice-president of the Investment Dealers Association of Canada. Mr. Fraser says that the city's best means of restoring credit would be adoption of the recommendations made some time ago by Thomas Bradshaw when he was appointed to investigate the financial situation here. Mr. Bradshaw said then that Vancouver should obtain $800,000 more from the Provincial Government or be relieved of social services.

Mr. Fraser objects strongly to the proposal to sell sinking fund securities for the purpose of purchasing the city's own securities, and is also opposed to the present policy under which, he says, moneys collected for sinking fund purposes have been used for current expenditures.

With reference to the proposal to release some $350,000 of unexpended by-law balances, Mr. Fraser points out that, with the reductions in assessed values of properties this year, the present debenture debt, with no new issues, will exceed the charter limit by $2.3 millions.

Alberta Vote Now Unlikely Before Spring

Aberhart Won't Take Risk of Small Farm Ballot in Winter Election

MAY AID OPPOSITION

From Our Own Correspondent

EDMONTON.—Prospect of an election in Alberta this year has now faded, in the opinion of observers here.

The requirement of 40 days' notice would bring the election date to December and the Social Credit Government would be unlikely to take the risk of winter weather impeding the farm vote.

While Premier Aberhart has chosen to put aside any idea of going to the country, the consensus of opinion appears to be that a vote this fall would have sustained his Government. Against this view, one must put the fear of popular recall, that prompted the Government to repeal the recall act. Another curious sidelight is the report that recall of Hon. Solon Low and other ministers would have been undertaken with hope of success, if the act had remained. Since 67% of the electors must sign recall petitions, the forces against Social Credit apparently considered their position fairly strong.

South Turning

An opinion current in Alberta is the southern part of the province where crops have been fair to good this season is turning against the Social Credit Government. The south is where the Aberhart movement originated and that is where it appears to be waning first. If this is so, the position of Aberhart and Low, both with southern seats, is understandable.

There is no immediate expectation that Mr. Aberhart will start his legislative machinery going again. The next session of the house is not looked for until February, though it is reported that estimates for next year are already in course of preparation. Meanwhile, Alberta politics has suffered a relapse while waiting for Ottawa's decision on the three measures on which assent was reserved.

May Re-enact Measures

According to a Social Credit paper of London, Eng., George F. Powell, the "expert" whom C. H. Douglas sent to Alberta, holds the opinion that the measures should be enacted again. Political observers consider this possible, as the harvest of publicity has come to Social Credit by the conflict between province and Dominion.

Probably the key to developments in the next few months in Alberta lies in efforts to use the situation that has developed for purposes of promoting Social Credit propaganda. Thus, pressure is likely to be maintained on Ottawa, and on the banks, which is not productive of tangible results at least keeps the issue before the public.

At the same time, the question of establishing Social Credit in Alberta is pretty well settled, as the Aberhart programme obviously reached its limit when it smashed into the rock of federal authority, and the province possesses no power with which to enlarge its jurisdiction. So the dividend of $25 a month and interest-free loans, and so on, passes out of the picture, leaving the Aberhart Government to make what it can out of the fact that its powers were not extensive enough to implement the Aberhart promises. As a matter of fact, dividends have dropped out of sight already, and are scarcely mentioned by Social Crediters at all.

Another Court Reverse

The Aberhart programme met another reverse when Mr. Justice Ives ruled that an order-in-council preventing court from piling documents in cases challenging provincial statutes was invalid. This order-in-council was a substitute for one of the three Aberhart acts disallowed in August. The main point of the Ives judgment was that the order-in-council attempted to do something which was solely a subject for legislation.

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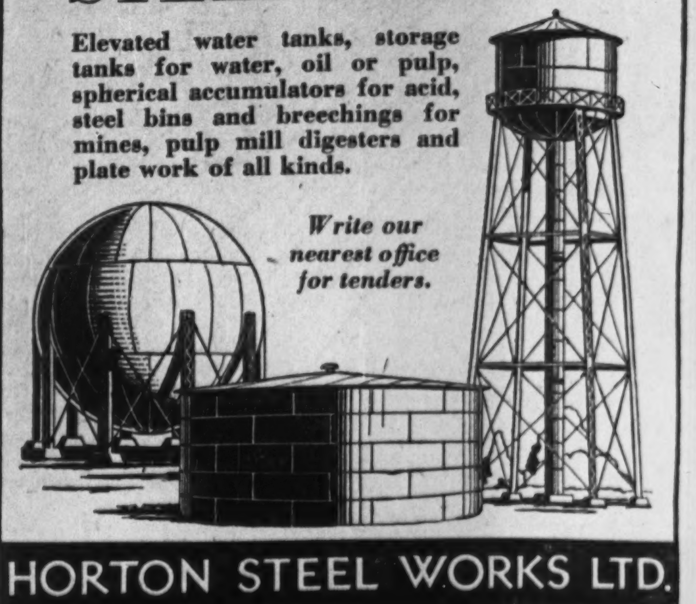

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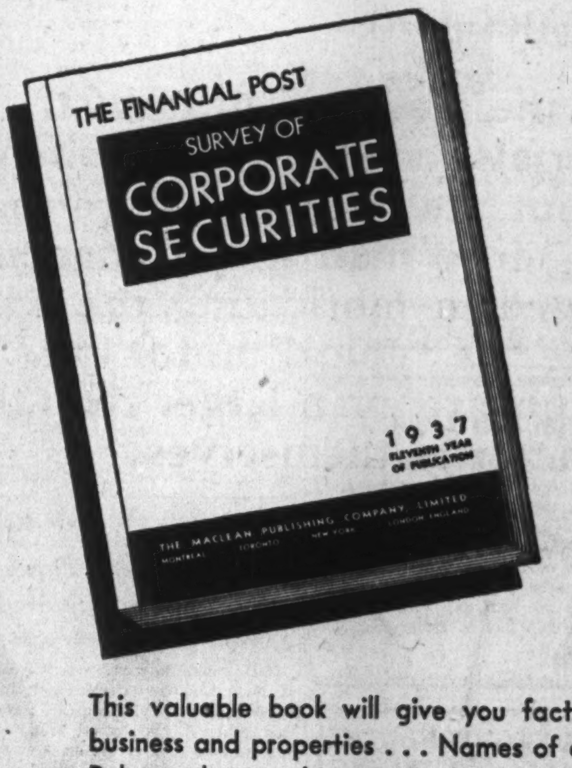

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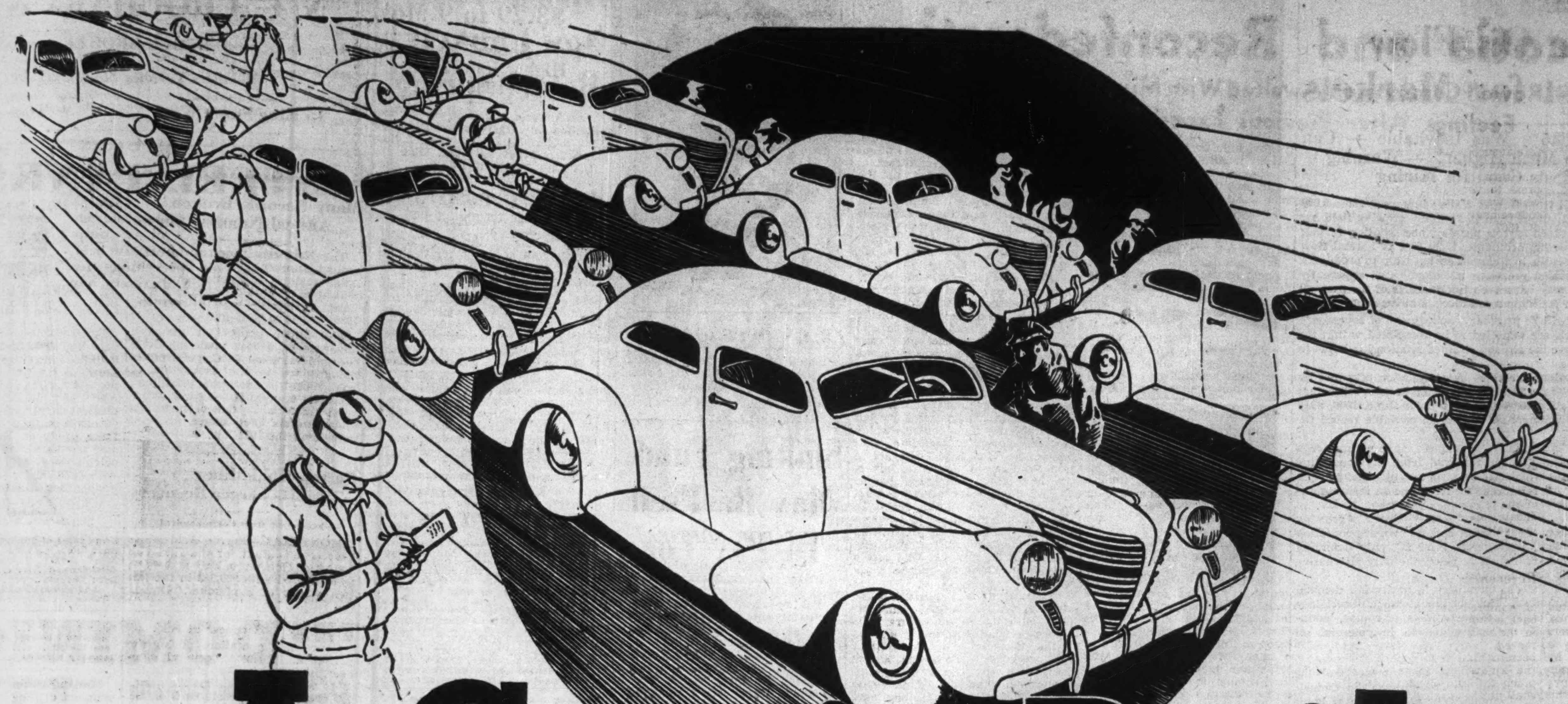

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Week in Mining

Increase in Oil Flow Too Fast for Markets

Further Proration to 45% Was Inevitable — Can Copper Prices Rise Much Higher? — Warning Against Wildcats Good for Mining

With daily production of oil from Turner Valley increased some 3,000 barrels in a few days, potential output from this rapidly growing field has leaped to between 17,000 and 18,000 barrels per day, necessitating further proration on the part of distributing companies from 65% of normal flow to 45%. While this inevitably results in a temporary hardship to producers, the latter are taking the increased proration philosophically, apparently realizing that no matter what may have been the mistakes of the past, all that at present can be done to facilitate marketing, is being done.

Whether further proration will be necessary, nobody can of course say. The fact that seven more wells are expected to be completed within the next few weeks will not improve the already strained relationship between production and consumption.

Turner Valley has had a splendid record. A compilation prepared by The Financial Post shows that of the 23 wells completed in the Valley since the discovery well, Turner Valley Royalties, blew in in June, 1936, only three have proven to be non-commercial. This is an enviable record for any oil field.

The fact that nature, with consummate cussedness, appears to have a flair for placing natural resources as far removed from the consuming centres as possible, is a challenge which has been successfully met by man before, and there is no reason for believing that it will be an insurmountable obstacle in the case of Alberta's oil.

It will, however, undoubtedly take time to feed Alberta's growing supply of oil to Canadian markets. In the meantime, oil men are consoling themselves with the thought that proration is, after all, only deferring profits from production, whereas reduction in price, the only alternative at present, would mean profits definitely lost.

Marketwise, Turner Valley oil stocks have been in pretty fair demand on eastern and Pacific coast exchanges. The fact that so much uncertainty surrounds proration, which cuts badly into profits, has, of course, hampered the share market from fully reflecting growth in potential oil production.

High Copper Prices Unlikely

It has been frequently pointed out by those closest to the industry that the world copper producers who are members of the powerful restriction scheme, do not, and never have, favored high prices for this metal. How successful they have been in preventing them was indicated in the remarks of Chester Beatty, chairman of Roan Antelope Copper Mines, at the general meeting of the company held in London toward the end of last month.

Mr. Beatty, tracing the price movement of the past 12 months, showed that in order to meet an upward trend in consumption, producers continued to increase output, and very soon agreed to produce without restriction. Nevertheless, consumers and speculators, believed that supplies would soon not meet demand, with the result these two groups succeeded in raising the price. This price rise was not brought about by the producers, who were soon turning out copper faster than it was being consumed, and this within the space of a few months.

Today, Mr. Beatty stated, world copper stocks were about 345,000 short tons, sufficient for about two months supply at the present rate of consumption. Producers are again lowering output slightly, in order to steady the market, and to keep supplies adjusted to requirements.

* * *

After Godfrey—What?

At the present time, when the operations of such administrative bodies as the Securities Exchange Commission, and the various securities commissions in Canada are being blamed by some for market and business declines, the address of John M. Godfrey, Ontario Securities Commission, before the National Association of Securities Commissions, is particularly pertinent.

Mr. Godfrey's remarks, which were obviously the result of much study as well as practical experience, do not constitute a defense of such agencies as he represents, so much as an objective analysis of the need for them, in the present social and industrial scene.

Few will object to the Ontario Commissioner's summary of the new conditions which have, so to speak, given natural birth to such bodies, and made their continued existence essential. Nor can any criticism be found with Mr. Godfrey's conception of his duties under the tremendous powers given him by recent changes in the Securities Act.

On the other hand, Mr. Godfrey recognizes, in his remarks, the inherent and potential evil of which The Post has made mention before, namely, the obvious fact that the broad powers granted the Ontario Commissioner are capable of being abused, no matter how highly one regards the administration of the present encumbent. How can one ensure that Mr. Godfrey's successor will have similar discretion?

* * *

Timely Warning

Although his statement may be classified as a sample of government interference, the warning issued by Dr. J. F. Walker, deputy minister of mines in B.C. against wildcat promotions in the admittedly spectacular Zeballos area of Vancouver Island is timely. It is, of course, government "interference" of the right type, and will serve to have a sobering influence, and prevent a repetition of scenes which have been all too common in Canadian mining history. Dr. Walker's statement does nothing to throw cold water on the legitimate development of what has the appearance of being an important addition to Canadian mining areas. All he has done is to remind the public that merely because a mining company has the word "Zeballos" in its name, does not assure success for the venture—an obvious but often overlooked fact.

* * *

Index to Mining Stocks

Mining stocks concluded the week ended Oct. 28, with appreciable gains to the credit of both gold and base metal groups. Consequently the Dominion Bureau of Statistics price index of 24 mines advanced from 115.8 for the week of Oct. 21 to 123.7 for the week under review. Stocks at first displayed an unsettled appearance and base metal leaders were inclined to move lower. On Monday the 25th, a rally occurred co-incidental with sharp recovery on New York market, although mining issues exhibited less strength than industrials. Golds continued to advance on Tuesday with gains slightly exceeding losses, but reaction appeared in base metals. In the next two days, stocks showed general improvement, stimulated by a good demand in the golds and the news of a change in margin requirements announced in United States. The daily index of mining stock prices rose from 123.2 on Oct. 21 to 127.1 on the 28th, with the gold section rising 5.0 to 109.6 while base metals dropped 0.5 to 198.8.

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NOT FOR SOFTIES

As a direct result of training in placer and lode mining given by the B. C. Government at Emory Creek, B.C., several hundred boys and youths, who formerly were trained for no specific occupation, are now well fitted to earn a living as miners. Some views of this rigorous and practical course, which has just concluded its third season, are here shown. Upper left, a sluice is being constructed as part of placer training. Above, finishing touches are being put on a paddle wheel, while lower left shows a neatly constructed tunnel into the mountain side, part of the lode mining training.

Prospector's Brain Wave Boon to Unskilled Boys

75% of Youths Given Training in Placer Mining Have Proved Successes—Whittles Relief

By CHARLES SHAW

VANCOUVER.—Several hundred young British Columbians between the ages of 18 and 25 are well equipped to join the ranks of the placer miners and win wages from gold-bearing creeks as a result of the training they received during the past three seasons at Government-run camps at Emory Creek.

Not only has British Columbia been able to provide in this way a means of livelihood for scores of young men who might, otherwise be in the bread lines, but it has supplied the placer mining industry with an army of promising recruits.

The placer camp at Emory Creek, close to a famous old gold camp in the early days of mining along the Fraser River, a few miles from Yale, was established largely at the suggestion of Ben Barlow, an old-time mining man who is not only familiar with almost every phase of placer mining in western Canada, but is admirably suited for the job of telling how it's done.

The department of mines liked Barlow's training camp plan, but it was adopted to some extent on condition that Barlow would run it. After all, it was a new idea. When expounded by Barlow, the idea was a logical and tempting one, but it was felt that the project would have a better chance of success if the originator took direct charge.

Not For Softies

Barlow took charge and there is little doubt that the venture has been entirely successful. Convincing evidence of that is the Government's decision to continue the camp next summer.

British Columbia's placer training camp is no place for "softies." The camp is a serious institution and the Goverment did not establish it with any idea of philanthropy or of providing a good time for young men at the public's expense. The placer recruits have had to work hard, or get out; but very few have found the pace too tough. They've stayed and made good because they have liked it; because the training has given then something to work for."

"The boys I felt sorry for were the young fellows who had never had any training in anything before," says Barlow. "They came to the camp with an inferiority complex. They had got it into their heads that they were good for nothing. The business of mining looked too complicated for them; they seemed helpless.

"But those were the lads we concentrated on. We showed them what it was all about, and told them that they had as good a chance of success as the next man. They learned quickly enough. And not a single one left the camp who didn't feel a whole lot more like a man capable of a man's job."

Six Weeks Course

A six weeks course is given the men who sign on. They apply at the provincial labor office in Vancouver or Victoria. If they are acceptable physically, they are put on the list and sent to Emory Creek as vacancies occur. More than 100 men are usually in training at one time, so that in the course of a summer hundreds go through the mill.

There isn't a stunt in the placer man's bag of tricks that is neglected at Emory Creek. Barlow, who first went mining in the Horsefly district of British Columbia at 19 and has been roaming the hills in search of gold ever since, knows everything there is to know in that category, and, with his assistant, Bob Campbell—one of the camp's graduates incidentally—he conducts classes every day of summer in such matters as flume and sluice building, trestle construction, log-cabin building, shaft-sinking, tunnelling and timbering. Lectures are given in the evening on such subjects as geology and hardrock mineralogy. Although essentially a placer camp, Emory Creek gives a good all-round training and scores of "students" eventually find jobs in the hard rock camps of Bridge River and elsewhere. Instruction is given in cooking, too, by cooks that are on regular salary.

While in training, the boys are paid 75 cents a day, clear of meals—which, by the way, are plain but wholesome and served with the idea that placer miners in the hills wouldn't get anything better, so they might as well get used to prospector's fare. In addition to their pay, which provides the recruits with pocket money and gives them a sense of employee and employer relationship, they all share in the return from the placering. Emory Creek isn't as rich as it used to be in the old days, but there is enough gold in its gravel to provide an incentive for mining it.

75% Make Good

The training camp has been a revelation to many mining men who have visited it. It is a model camp, well equipped and well managed. The boys are under rigid but friendly discipline and the knowledge that when they quit they will be independent and able to take care of themselves in the open has been an influence in maintaining a hard-working, cheerful spirit.

The Government sells the young prospectors equipment at low cost, provides free transportation to the mining area selected and for three months grubstakes them at $9.60 a month.

"The best indication we have of the camp's success," says Hon. George S. Pearson, minister of mines, "is that 75% of the men who have passed through it have made good, on their own, as miners."

News Concentrates

Barber-Larder Mines in McGarry twp., Larder Lake mining division southwest of Kerr-Addison, reports following assay results from diamond drill hole No. 35: $13 across 3.8 ft., $8.75 across 2 ft., $11.20, $6.07 and $4.66 across widths of 7.5 ft., respectively. No. 36 hole is now being put down. Hole No. 35 was drilled under No. 31, which yielded 7½ ft. of core running $22.58 per ton.

* * *

Bruell Gold Mines (1936) has indicated by diamond drilling a length of 3,000 ft. on shearing in which No. 7 vein was revealed, reports Eugene Bruell, president. Six holes have been drilled at 200-ft. intervals on this Vauquelin twp. property and all have cut vein, showing average width of 30 ft. Prospect shaft is being continued down to 120 ft., where drifting east and west will be done. Deeper drilling along No. 7 zone is planned and discovery vein, first opened in 1934, will also be diamond drilled.

* * *

Candalaca Gold reports that total of 78 channel samples, taken across average width of 3 ft. 8 in. at Read-MacDonald property under option to it, gave average of just under $10 per ton. Several samples ran from $30 to $50 per ton; 20 returned less than $1. Property is in Sturgeon Lake area, Ontario.

* * *

Crescent Kirkland Gold Mines has arranged to provide funds for development of Planet Gold Mines property in Kirkland Lake area.

* * *

Darwin Gold Mines, in Michipicoten area, Ontario, treated 9,401 tons of ore in first seven months of current fiscal year, ending Dec. 31. Bullion recovery was valued at $164,032; profit, before depreciation and depletion, was $26,588, operating costs being $137,445. To open two new horizons, company has decided to sink winze to tenth level. It has now reached ninth level. Darwin will dispose of its remaining 186,001 shares at 10 cents each to stockholders to secure funds with which to discharge outstanding accounts payable.

* * *

Upper Seine Gold Mines has completed installation of its power plant at property in Kenora district and begun dewatering Golden Fissure shaft, which is to be retimbered and resampled. Holdings consist of old Sawbill mine and adjacent claims; Sawbill was gold producer when first opened about 40 years ago. Property has been developed by three shafts, the deepest to 290 ft. Object of present work is to prove sufficient ore to enable decision on type and capacity of mill to be installed. It is expected this matter will be settled before year-end.

* * *

Hislop Gold Mines, in Temiskaming mining division, northern Ontario, has stopped work at property because results obtained were not regarded as sufficiently encouraging

* * *

Lacoma Gold Mines will start diamond drilling at once on its property in Travernier twp. Work on a new vein found this spring on 125-ft. level gave interesting results.

* * *

Obalski Mining Corp. plans to continue shaft at its Chibougamau property to 300-ft. level and do several thousand feet of underground work, states J. R. Giroux, president and managing director.

* * *

Oriale Mines, adjoining Murphy Mines on the west in Kirkland Lake area, has uncovered new vein recently disclosed on one of its claims for over 50 ft. in surface trenching, both ends of showing being still open, reports W. R. Biton, president. Assays give average of $13.51 across 5.4 ft., with a 1 ft. section returning $44.10 and two 6 in. sections running $32.55 and $32.90 respectively, 1 ft. being of $15.75 grade.

Noranda Earns $3.29 in 9 Mos.

Figure Shows Materially Higher Rate Than 1936

An increase of 25% in copper production is largely responsible for the materially higher rate of Noranda's current earnings. For the first nine months of this year, Noranda's estimated net profit per share amounts to $3.29 per share, compared with $2.92 per share in the first nine months of 1936, and $4.14 for the entire 1936 year.

The record of the large Quebec copper-gold producer for the nine-month periods is shown in the following table:

NINE MONTHS' EARNINGS
Period Ended Sept. 30

	1937 $	1936 $
Total recovery	14,654,107	13,285,791
Less: Mining, gen. & admin. expenses	5,824,117	5,187,808
Res. for taxes	1,410,000	1,360,000
Net oper. earnings	7,419,990	6,737,983
Add: Misc. income	324,527	236,908
Total income	7,744,517	6,974,891
Less: Depreciation	375,000	423,000
Est. net profit	7,369,517	6,551,891
Earnings per Share	$3.29	$2.92
Copper anodes prod., lb.	60,020,135	47,095,774

Mining Options

Bagamac Mines—Installment dates under agreement July 31, 1937, have been extended as follows: on the underwriting covering 75,000 shares at 25 cents, on which $5,000 was paid Oct. 20, a further $5,000 is made payable by Jan. 2, 1938, and $8,750 by Mar. 1, 1938; option on 100,000 shares at 30 cents in four blocks of 25,000 each by May 1, July 2, Sept. 1 and Oct. 1, 1938, respectively; option on 100,000 shares at 32½ cents in four blocks of 25,000 each at monthly intervals thereafter; option on 50,000 shares at 40 cents, 50,000 at 42½ cents and 75,000 at 50 cents by Apr. 1, 1939.

Parkhill Gold Mines (1937)—At a price of 12 cents per share, 12,500 shares have been allotted and issued. This brings issued capital to 2,367,505 out of an authorized 3,000,000 shares; there are 632,495 shares in the treasury.

Red Crest Gold Mines—Has had an additional 10,000 shares taken up at 35 cents under agreement Mar. 20, 1936. Balance covers option on 250,500 shares at 35 cents and 500,000 at 50 cents. Total issued capital is now 2,249,500 of an authorized 3,000,000 shares.

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Many Records Broken Annual Number Shows

The Northern Miner, in its 1937 annual number, predicts that Canadian mineral production this year will have a value of some $415 millions, a striking growth over the 1936 output of $361 millions.

The Miner notes that immense advances have been made all along the mineral front in Canada, peaks being noted in the production of gold, nickel, copper, zinc, platinum, asbestos, aluminum, oil, and structural materials. Other materials and minerals have shown material gains over the 1932 low.

Perron Gold Mines Reports Larger Recovery

From Our Own Correspondent

MONTREAL.—Perron Gold Mines reports an output for the first two weeks of October valued at $44,512, as compared with $39,548 in the last two weeks of September. During the period the mill operated on an average daily tonnage of 340 tons, recovering 1,272 ounces of gold.

Concerning operations during the period, J. P. Norrie, general manager, indicated that all stopes in the mine responded well, but the greatest producers were stopes 215, 206, 250 and 306, both in quantity and grade of ore.

Two important new veins have been exposed on the 625-ft. level by 616 crosscut north, says the report.

Net Earnings Up at Macassa

Nine Months Profits Are Seventeen Cents a Share

For the nine-month period Jan. 1-Sept. 30, 1937, Macassa Mines estimates net earnings at 16.5 cents per share, as compared with net profit per share of 14 cents for the period Apr. 1-Dec. 31, 1936. The figures indicate an increase in the scale of earnings secured by this Kirkland Lake producer. Net profit for the nine months ended Sept. 30, 1937, is calculated at $442,308, as compared with $376,156 for the similar period ending Dec. 31, 1936.

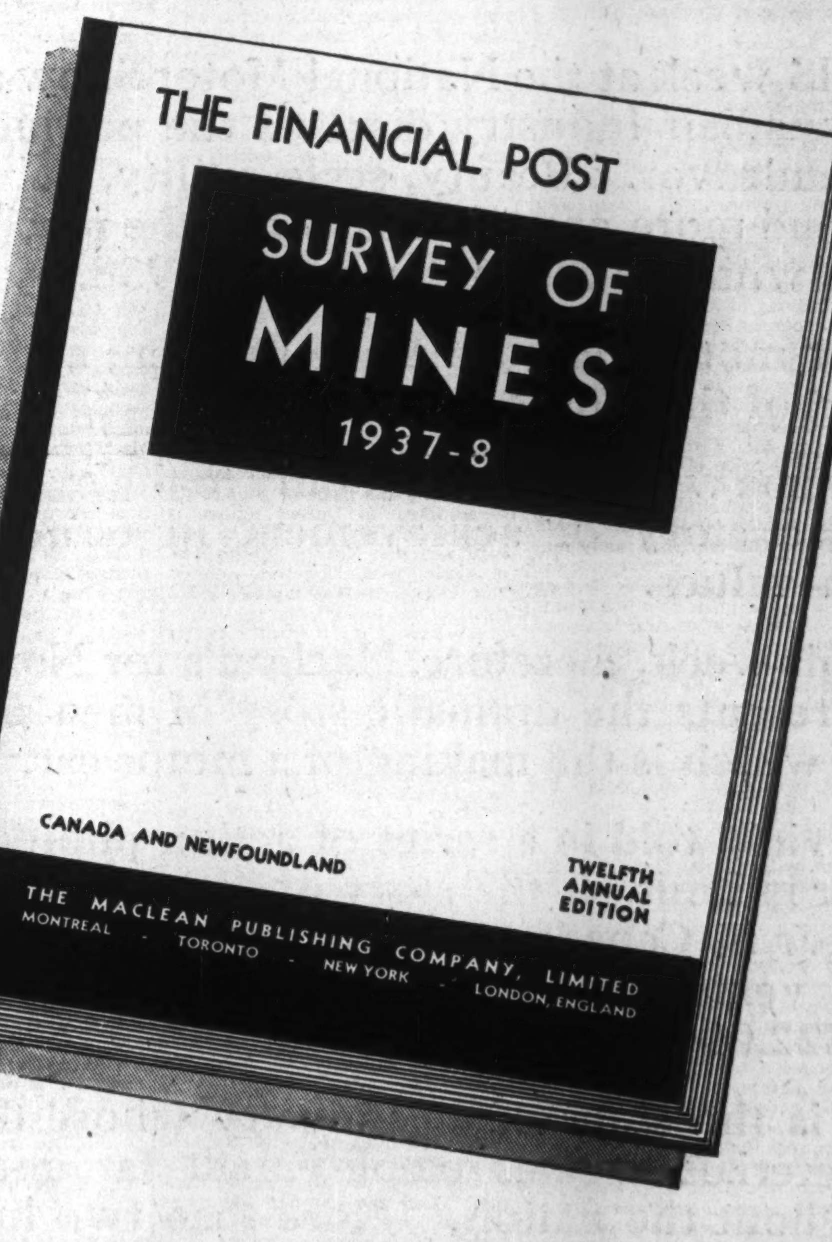
Company's estimate follows:

Estimated Earnings
Nine Months Ended Sept. 30, 1937

	$
Gross value of production	1,071,73
Add: Sundry revenue	20,21
Total income	1,091,97
Less: Develop., oper., gen. chgs. and administration	433,18
Taxes	69,50
Deprec. & explor. w/o	146,97
Est. net profit	442,30
Estimated Earnings per Share	$0.16
Tons Milled	66,78
Recovery per Ton	$16.0

Midland Mining Corp. is to resume diamond drilling immediately at its northwestern Quebec property, having contracted for a drilling programme under which 3,000-5,000 ft. of work will be carried out. Two rigs will work on 24-hour basis.

Here It Is!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The **ANNUAL GENERAL MEETING OF THE SHAREHOLDERS** of The Consumers' Gas Company of Toronto, to receive the report of the Directors, for the Election of Directors for the ensuing year and for the transaction of such other business as may properly be transacted at the meeting, will be held in the Company's Auditorium, 55 Adelaide Street East, Toronto, on **MONDAY, the 8th DAY OF NOVEMBER, 1937,** at 12 o'clock noon.

By Order of the Board,

EDWARD J. TUCKER,
Secretary.

Toronto, October 9th, 1937.

Notwithstanding

that experience has proven failure to make a Will one of the greatest mistakes a property owner can make many neglect this duty. If you have no Will there is a possibility of trouble and loss for your heirs which you can prevent by taking proper precaution now. Consult your lawyer and our Estates Department. He will draw your Will—we will act as Executor and Trustee.

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That Wildcat—Gold

U. S. Writer Suggests Complete Abandonment of Gold Purchase Plan — Can U. S. Let Go?

By WILFRID SANDERS
Mining Editor, The Financial Post

John T. Flynn, United States financial writer, who would probably not object to the classification "left wing," has, in an article appearing in the current issue of Scribner's Magazine, made out a good case for complete abandonment of the United States gold purchase plan, leaving the price to be established in a free gold market.

With the facts and factors which the writer corrals into his article, his argument is convincing, and his logic apparently sound. Has he, however, corralled all the facts?

While popular discussion of the gold question which flared up so fiercely earlier this year, has largely waned, and the situation become slightly less acute, the broad outlines of the problem still remain. The United States still has the wildcat Gold by the tail, and what will happen next is of paramount importance to all gold producing countries, such as Canada, as well as to the economic world in general. One can hardly blame the United States Government for openly adopting a 24-hour policy in regard to gold. When one has a wildcat by the tail, one does not usually bother to dope out a long term course of action. Mr. Flynn's advice is attractive in its simplicity. He suggests letting go.

It would not be fair to Mr. Flynn to attempt to summarize his arguments to fit the space limitations of this article. His conclusions, however, are indicated in his final paragraph:

"The disturbed state of world finance, together with the threats of inflation in foreign countries as a fruit of war expenditures, makes any attempt at world agreement on gold reserves and exchange problems impossible. But we can make a beginning by putting our own house in order as far as we can. The first step is to take courageously whatever losses may be necessary and reduce our monetary system to sanity. Of course, this will aid some investors, such as the holders of most bonds; and injure others. This is unavoidable, but it will be good for future investment. To this I would add that whether we adopt this plan in toto or not, we must at least bring the gold purchase plan to an end."

Views Isolationist

Can one dismiss the repercussions of ending the gold purchase plan by saying simply, "Of course this will aid some investors . . and injure others"? Is Mr. Flynn not looking inward, and not outward, and thus repeating a view which, in the past, has caused the United States to create many a problem for itself?

The United States cannot end its gold purchase plan, without serious repercussions of a world wide nature, repercussions which would ultimately affect its internal economy much more seriously than by bringing profit to some investors, and a loss to others.

Herein appears to lie the greatest fallacy in Mr. Flynn's arguments. Raising the price of gold to $35 an ounce overnight, and keeping it there all this time may have been a serious mistake on the part of the New Deal. But there are many reasons for believing that to reduce the price now, or to let it seek its own level, which is in its effect the same thing, would be more disastrous not only to the whole world, but to the United States itself, than cementing the mistake into the general structure of world economics.

U. S. Meant to Manipulate Gold

It is generally believed to have been the original intention of the U. S. Government to manipulate the price of gold from time to time over a period of years. Had it been able to do this, and lowered the price a month, or six months after raising it, results of such a move might not have been so disastrous. After more than three years of $35 gold, however, a reduction would entail a major economic operation, and it is extremely doubtful if the health of the world is sufficiently good to withstand such an operation.

It is difficult to gauge how serious a depression would follow a reduction in gold prices today. Some believe it would precipitate a slump more serious than that of 1929-33. Others feel that the reaction would be less violent. Even Mr. Flynn, however, would probably agree that it would result in a serious slowing up of world business generally, even if he would not admit that it would result in a very serious loss of confidence.

Democracies Have Gold

More serious, perhaps, would be the result on international relationships. It is a noteworthy fact that those nations which are without gold are among the most belligerent nations of the world today. World gold reserves are held by the democracies, by the peace-loving nations. These traditionally peace-loving nations can, and are, virtually buying the peace of the world with gold, through operations of the various exchange stabilization funds. Mr. Flynn, in his article, does not touch upon the significance of this situation, or the effect it would have were United States to stop buying gold at $35 an ounce.

Early in the article, Mr. Flynn states:

"Today one of the most important reasons why business is being halted and investment retarded is the uncertainty as to what the dollar will be worth a year, three years or five years from now. Plainly, we cannot drift along any farther with our present gold-buying policy. It costs too much."

Thus is implied the idea that uncertainty as to the price of the dollar is wholly due to the gold-buying policy. This is hardly a fair implication. Obviously the gold-buying policy is only one factor behind the general uncertainty as to the dollar. Were gold, as the writer suggests, to be dependent on a free market for its price, would there be any greater certainty as to its value than there is now, unless gold were entirely divorced from the dollar?

Delayed Explosion, or Squib?

The effect, or rather, lack of effect of devaluation on farm prices, and farm exports is referred to in the article. Figures are cited to show how exports of farm produce from United States showed little or no rise in volume as a result of the experiment, a fact which is used to show the failure of the devaluation to achieve its major objectives. No reference is made to the major cause of this failure, however. Failure of farm exports to show any increase can be largely traced to the AAA's policy of plowing under surplus crops, bonusing farmers for crops not raised, and pigs not bred. This policy undoubtedly resulted in removing exportable surpluses. Again, a combination of a variety of factors has prevented internal prices from rising to the full extent of the increased purchasing power of the dollar. Prices admittedly did not rise as fast as many had predicted, but might this not have been in the nature of a delayed explosion, rather than an out and out "wet squib?" Probably no one will ever be able to gauge how close the United States has come to too-rapid inflation. That subsequent developments have again offset the effect of higher dollar prices for gold is another story, and does not necessarily prove that reductions in the gold content of currency have no effect on price levels.

Again, Mr. Flynn says: "In the field of money management, of course, that experiment has apparently been definitely shelved."

Most Washington observers would probably feel that the shelving of managed currency is more apparent than real. It is generally felt that Washington still believes in so-called managed money, and its desirability but now realizes that there are many other tools of management which nobody knows how to use.

England's Rôle

The writer credits England with considerable shrewdness in abandoning the gold standard when it did. He describes this move as "not only ending gold redemption but ending the use of gold as a measure of the pound's value." The British Government has never put itself on record as having finished for ever with gold as a measure of the pound's value, but has, on the contrary, indicated its readiness to resume the gold yardstick whenever conditions are propitious.

The picture painted in the article, and in the cartoons accompanying imply the belief that England has done nothing whatsoever to maintain the $35 gold price. She has, as a matter of fact, bought considerable quantities of the metal (although nothing comparable with U. S. purchases), and has maintained and expanded from time to time her exchange equalization fund.

In connection with England's rôle in the present drama, Mr. Flynn does not deal with the fact that one of the effects of $35 gold has been to underwrite British prosperity, and thus, in a way tangibly felt by United States, make an important contribution to world recovery.

The chief criticism which many will find in this provocative article may be summed up by saying that the writer deals with the whole problem as though the United States were entirely cut off from the rest of the world. If the repercussions of reducing the price of gold could be confined to United States, it might, as Mr. Flynn argues, be well worth the cost. Such is not the case In pegging gold prices overnight at $35 an ounce, the Washington administration was making the same mistake, behaving as if the United States were in a sort of vacuum bottle. That this was a mistake is now evident—evident in the very inflow of the world's gold deplored by Mr. Flynn. This isolationist fallacy has created the United States monetary problem; has, so to speak, placed the wildcat's tail squarely in the sweating fist of Washington. The United States cannot solve its problem by persisting in this erroneous view.

Shutdown at Packsack Regarded as Temporary

Packsack Mines, at Rice Lake, central Manitoba area, has discontinued work at its property as funds are nearly exhausted, H. R. Drummond-Hay, president, states in a letter to shareholders. Mine manager reports that work to date indicates 24,000 tons of ore of probable value $12.50 per ton, after cutting erratic assays and allowing for dilution. "Since that estimate was made, he has come into material on the fourth level which looks as if it may make ore. No assay results have yet been received," the report says.

Adverse market conditions make it inadvisable to consider further financing at present, but it is thought that with the ore tonnage indicated and values anticipated the property should not be regarded as being permanently closed down by this cessation of work.

Mining Company Charters

Carlson Mines—Que. incorp., Sept. 9, 1937. H. O. Rouyn, Que. Auth. cap., 4,000,000 shares, $1 par.

Hill-Teider Mining Syndicate—Ont. incorp., Oct. 4, 1937. H. O. Toronto. Auth. cap., 35,000 shares, $1 par.

Kanbee Gold Mines—Que. incorp., Sept. 13, 1937. H. O. Montreal. Auth. cap., 30,000 shares, $1 par.

Launey Exploration Co.—Que. incorp., Oct. 2, 1937. H. O. Montreal. Auth. cap., 99,000 shares, $1 par.

Mather Mining Syndicate—Ont. incorp. Oct. 6, 1937. H. O. Toronto. Auth. cap., $35,000 shares, $1 par.

Ontario Explorers — Que. incorp., Sept. 16, 1937. H. O. Montreal. Auth. cap., 20,000 shares, $1 par.

Parbec Gold Mine—Que. incorp., Sept 13, 1937. H. O. Montreal. Auth. cap., 30,000 shares, $1 par.

Slade Placers—B. C. incorp., Oct. 18, 1937. H. O. Quesnel, B.C. Auth. cap., 20,000 A, 20,000 B preferred shares, $1 par; 200,000 common shares, 50 cents par.

Terra Nova Mining Syndicate—Ont incorp., Oct. 14, 1937. H. O. Englehart, Ont. Auth. cap., 35,000 shares, $1 par.

White Quartz Gold Mines—Que. incorp. Oct. 7, 1937. H. O. Montreal. Auth. cap., 20,000 shares, $1 par.

HEAD OFFICE CHANGE

Bartleman - Bourkes Gold Mines — Changed its head office address Oct. 15, 1937, from Timmins to Toronto, Ont.

CAPITAL INCREASE

Fox Lake Gold Mines—Has increased its capital from 1,000,000 shares, $1 par, to 3,000,000 shares, $1 par, under Ontario supplementary letters patent Oct. 12, 1937.

SURRENDER OF CHARTER

Sigma Mines—As at Oct. 16, 1937, will apply to the secretary of state for Canada for leave to surrender its charter.

Messabi Buys McMillan Mill

From Our Own Correspondent

SUDBURY.—The 150-ton mill and major portion of the mining equipment of McMillan Gold Mines Ltd. have been sold, it is officially reported. It is understood the milling plant has been purchased by Messabi Gold Mines Ltd. Lake Geneva Mines, in Hess township, has taken the hoist.

When current deals are completed, it is stated McMillan, besides retaining its property in the West River area, will be in a liquid position, with a small cash balance.

At a meeting of shareholders several months ago, directors of the company were given authority to dispose of the assets to the best advantage and wind up company affairs.

Central Cadillac Gold Reports No. 8 Vein Assays

From Our Own Correspondent

MONTREAL. — Central Cadillac Gold Mines report to the Montreal Curb Market that drift 1-8 east on the new No. 8 vein has uncovered the vein for the whole present length of the drift, approximately 70 feet, with free gold in every round.

According to R. C. Bryden, the company's engineer, the first 40 feet of the drift gave an average value of $29 per ton over a minimum width of five feet.

The company further states: "Latest assays gave $92.75 upper and $6.30 lower over a width of five feet across the base of the drift and muck samples from the last round of $14.35."

Find Two New Veins At Perron Gold Mine

During the first two weeks of October, mill at Perron Gold Mine treated an average of 340 tons daily for gold production valued at $44,513. J. P. Norrie, general manager, reports that all stopes in the mine responded well during the period, greatest producers, both in quantity and grade of ore, being stopes Nos. 206, 215, 250 and 306.

On the 625 level, the report concludes, 616 crosscut north exposed two important new veins.

B. C. Issues Mine Warning

Deputy Minister Fears Wildcat Schemes in Zeballos Area

From Our Own Correspondent

VANCOUVER. — Fearing the mushrooming of wildcat companies whose chief promise of success lies in the spectacular ore obtained by a few other operators in the field, Deputy Minister of Mines John F. Walker, of British Columbia, has issued a statement on the Zeballos River district of Vancouver Island.

Admitting the wealth of certain sections of the Zeballos, which has been the chief scene of mining activity in the province during the last few months, Dr. Walker sounds a note of warning when he says that "the public should make careful investigation into all syndicate and company offerings, to ensure that the ground offered has some possibility, that the titles are secure, and that there is capable direction and management of the work."

Dr. Walker points out that a great deal of development work has yet to be done, and mining operations have yet to be carried out before a true picture of the Zeballos gold future can be obtained. But he agrees that recent development has shown in at least two cases that the district has narrow veins which have continuity and contain high gold value, even though there is a tendency in the showings to be erratic.

Dr. Walker's statement is based largely on a new report just prepared by John S. Stevehson, engineer of tthe department of mines, who recalls that while placer gold was first obtained in Zeballos as long ago as 1907, the present period of intense prospecting did not begin until extremely rich gold ore was found in the old Goldpeak group in 1933.

He refers to the extremely rough nature of the terrain, but says that prospecting has so far been well worth while

Quartz ore from Zeballos containing between 1,000 and 4,000 ounces gold per ton—one of the highest percentages on record at the Tacoma, Wash., smelter, was treated there this week. The ore, in a small shipment of 200 pounds, shipped by the Nootka-Zeballos Co., was described by B. H. Bennett, Tacoma assayer, as the richest he had even seen. At present prices the ore would be worth from $35,000 to $140,000 a ton.

Sherritt Starts East Shaft Pump

From Our Own Correspondent

WINNIPEG. — Pumping water out of the east shaft of the Sherritt Gordon mine has begun in readiness for early mining operations on another sector of the property. The two-mile overhead cableway and travelling ore bucket carriers were installed last year and with the additional ore tonnage available it is anticipated the daily average plant crushing will be increased to 2,000 tons. If this is carried out it would give a monthly yield of concentrates running about one million pounds.

It is possible this may be doubled in 1938. Physical condition of the mine holds out indications of a still larger copper output plus a large production of zinc, if prices warrant, in addition to precious metals.

Inco Paying Extra of 25c

Hoisting at New Creighton Shaft Under Way

From Our Own Correspondent

SUDBURY.—International Nickel Co. of Canada, this week declared an extra dividend of 25 cents per share with the regular quarterly dividend of 50 cents, thereby bringing payments for the year up to $2.25 per share against $1.30 last year. Steady progress is being made in the realignment of millfeed sources at its Sudbury properties.

Hoisting of ore is now under regular schedule through the new No. 5 shaft at Creighton Mine, and four deep levels are contributing to the daily tonnage. There has been no important increase in aggregate tonnage, however, as the volume taken from the old shaft has been diminished.

Underground Work

Work of sinking the new 2,000-ft. shaft at the Levack mine is proceeding at a good pace, and at last report the opening had reached a depth of 125 feet. It is anticipated that the current new development will consume about a year to complete, and that by next September, work of lateral development at the deeper levels will be well under way.

Construction of surface plant at the Levack includes a hoist house and compressor house to service the new shaft, which is being made of the same dimensions as the No. 5 shaft at Creighton mine. In depth, however, the Levack shaft will be only half that of the Creighton. A temporary headframe has been erected, which will give place to a permanent structure when the shaft has been completed. Two large boarding houses are included in the programme, which will provide accommodation for 300 men, and in addition a half dozen residences are being built for staff men.

Increase Tonnage Raised

Currently tonnage being raised at Levack is 70,000 tons per month, an increase over the initial output. Tonnage from the Frood has been decreased slightly, and a number of miners have been transferred to the Levack.

As intimated in these columns recently, nickel has in contemplation a new concentrator adjoining the present mill at Copper Cliff, and while plans are not definitely ready for official release, it is expected that construction will be under way shortly, and that the project will cost several million dollars. The plant will have a capacity of several thousand tons daily.

It is the offical plan to feed low-grade ore to the new mill and in connection with the project the upper layer of the Frood mine will be steam-shovelled to a depth of at least 300 feet and probably lower and low and medium-grade deposits at other properties may be treated.

Aimed at Flexibility

The contemplated programme will take at least a year to complete and the objective, it is understood, is not primarily to increase substantially the output of metals, although it will likely entail a gain in nickel output The main purpose is to permit greater flexibility in operations and to utilize the vast extent of low and medium-grade ore at the Frood with the high-grade material being mined at the lower levels. In fact when the programme gets under way treatment of high-grade ore might probably be somewhat diminished depending, of course, upon the demand for the company's products.

Operations at the Garson mine, which was reopened last summer after several years shutdown, are proceeding normally, with the mine supplying a little better than its quota of 1,200 tons per day.

The new $250,000 research building at Copper Cliff has been completed

From India to Australia Has Taken Him 19 Years

Capt. N. Evans-Atkinson, who started from India for his native Australia 18 years ago, and is still on his way, was in Toronto recently.

The reason that this six-foot Australian has been so long travelling from India to Australia—so long that he sometimes forgets he is supposed to be going home—is because, travelling through Canada, he learned something about Canadian mining, and thought he would break his trip and have a look. He is still having it.

The reason that he is in Toronto, is to interest Ontario mining men in some properties of his in the Moha district of British Columbia, near Bridge River. An Ontario mining group has already agreed to examine one of his properties.

How Capt. Evans-Atkinson became interested in the Moha district is a story in itself, and can be directly attributed to the fact that some years ago his wife was two days late for an appointment with her nomadic husband in Vancouver.

In the fall of 1933, Capt. Evans-Atkinson was supposed to meet his wife in Vancouver, probably with some vague idea of continuing home to Australia. His wife was delayed on her journey, and the captain had a day or so to spare. He happened on a young mining engineer who was driving up to the Bridge River area, Capt. Evans-Atkinson decided to jump in the car and go along too, just to have a look.

Eventually Shalalth, which is the jumping off place for Bridge River on the P.G.E. railway was reached and the breath-taking ride over Mission Mountain was started. In this drive, one climbs 3,500 feet in 20 minutes, and from the top one can command a splendid view of the rugged countryside. In the course of his drive, Capt. Evans-Atkinson noticed on a distant mountainside, a grandiorite dyke. Taking for granted that this was the formation on which Pioneer, Bralorne and the other Bridge River mines were working, he said nothing, but was surprised to find that their route took them away from this structure altogether.

Once back at Shalalth, the Australian hired an airplane and flew over the country. His flight confirmed the favorable impression he had at first obtained, and he was soon on his way into the country on foot, a trip of some 50 miles.

He had only been exploring the formation for a short while when he found evidences that someone else had been on the property many years before. A worn down pickaxe, a rusted shovel, and some trench work, were located. Enquiring among the Indians, he found that a well-known British Columbia mining prospector, Herb. "Whitewater" Taylor, was the early prospector. Taylor, incidentally, made the last big strike in British Columbia in 1921 at what is now known as the Taylor Windfall Gold Mining Co. in the Clinton, B.C., district. He also staked the Wood Duck, Woodchuck and Telephone claims, part of what is now the Bralorne property in the Bridge River area.

Capt. Evans-Atkinson got in touch with Taylor, and the latter, although by now an elderly man, joined a second trip back into the Moha district. He had originally been in the area in 1896. The work he had done on the formation had not, however, yielded him any visible gold, and he had accordingly pushed on to make his famous discovery in the Bridge River field. Back in the area with Evans-Atkinson, he pointed out more of his old workings. His method of marking (and hiding) the outcrops had been unique.

"See that young tree there?" he would ask his companion. "Let's give it a heave." Together they would pull at the young shrub until it came away by the roots, and underneath would find the outcroppings. Taylor had planted the young shrubs over the outcrops nearly 40 years before The values he had obtained, he said did not interest him at that time because like most of the prospectors in his day, he was seeking free milling ore.

Taylor, because of his early work on the property, was given an equal interest in the private syndicate which now holds these Moha claims

Three groups of claims have been staked by this syndicate over a nine-mile zone. One group is now being worked by interests associated with J. F. Duthie, United States mining man, and will shortly see underground work. The syndicate has already spent about $25,000 on surface work on the group—which Toronto interests now plan to examine.

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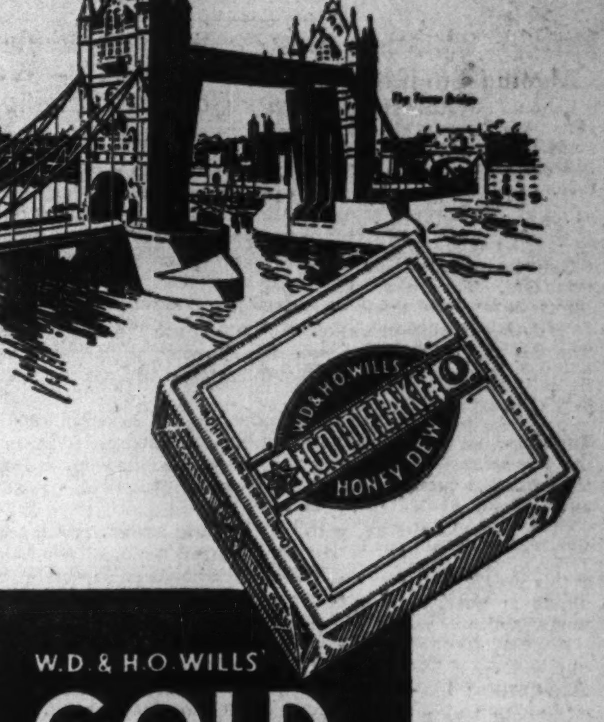

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For authoritative information regarding the mining industry apply to:

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Your Mining Stocks

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Algoma Summit Gold

I should be pleased to have what facts there are available on Algoma Summit Gold Mines. What is their production and earnings rate?

Algoma Summit Gold is continuing milling operations on property in Goudreau mining district of Algoma, Ont. Though no production figures have been made available recently, we understand the mill is handling about 130 tons daily, although a much larger tonnage had originally been spoken of. It seems fairly obvious that, on this basis, the company can be little more than covering expenses.

As far as we have been able to ascertain, this company has never published an estimate of ore reserves or a financial statement. Government returns for the first six months of 1937 show no gold returns for this property.

Stock is not listed on any exchange, and we would consider it very speculative.

Aldermac Copper Corp.

I should like a résumé of the recent activities of Aldermac Copper Corp., as I am a shareholder in this company.

Aldermac Copper Corp. owns a copper-sulphur property ten miles west of Noranda in northwestern Quebec. Ore reserves, excluding partially developed ore, are estimated at 1,743,760 tons above the 1,125-ft. level, average metal content being 35% sulphur, 2% copper, with small values in gold and silver. Operations were resumed last August and lateral development of lower levels will be carried out following the completion of the three-compartment shaft to 1,625 ft. Company is pioneering a new process for the extraction of sulphur, and officials have stated that the tests have been so successful that they now plan a commercial plant. They also state that they have contracts covering their potential sulphur production.

With the mill rapidly approaching the 1,000-ton per day mark, some intelligent estimates of earnings should soon be possible. However, it is yet too early to attempt such an estimate owing to the unknown factor of the sulphur production.

This company is a subsidiary of Towagmac Exploration Co. Capitalization is 5,000,000 shares, no par value. An issue of 5% bonds totalling $400,000 and due in 1946 is also outstanding.

Rahill Red Lake

What information have you at hand on Rahill Red Lake? I hold some shares but have heard nothing about this property for some time.

Rahill Red Lake Mining Co., owning a gold prospect in the Red Lake area adjoining Gold Eagle, has been idle this year. As far as we know the company has not issued a financial statement, but it is generally understood that the treasury is depleted. Management apparently feels that the time is not opportune for raising further funds.

Company is capitalized at 3 million shares, $1 par, and still has nearly half these shares in its treasury. Limited amount of drilling done in 1936 is reported to have given values of $28 per ton at depth of 800 ft. and $5.25 per ton 400 ft. down.

Before underground work would be warranted, it is apparent that further drilling would have to be done. Results so far have been encouraging. Lacking an active market for this stock, it appears that there is little to do but wait in the hope that the company is successful in raising further funds.

Normetal Mining Corp.

Please review for me the possibilities presented by Normetal Mining Corp., in which I am interested.

Normetal Mining Corp., owning a copper-zinc deposit in Abitibi county, Que., is controlled by Mining Corp. of Canada, a well-financed and active exploration company. In February last financing of development and mill construction was completed through an offering of rights to shareholders to subscribe for one additional share at 75 cents for each share held.

Company has now only one class of stock. Preferred shares outstanding in the amount of $250,500 at Dec. 31, 1936, were redeemed early this year, together with arrears of dividends. Most recent estimate of ore reserves, made in Feb., 1935, showed 1,006,000 tons of ore, developed, partly developed and indicated by diamond drilling.

Normetal's mill is now handling about 250 tons daily. It is hoped that capacity will be stepped up to 500 tons daily by the end of the year. Corporation has arranged to market its zinc concentrates abroad through the British Metals Corp. Its directorate is experienced and responsible. Ore, according to official statements, is sufficient to supply a 500-ton mill for over two years. At Dec. 31, 1936, balance sheet showed current assets of $20,732 against current liabilities, including $208,939 advances from Mining Corp., totalling $225,393.

Pacalta Oils Ltd.

I am interested in the outlook for Pacalta Oils. Your comments on this company will be appreciated. Why has the stock been so active of late?

Chief interest in Pacalta Oils Ltd., now centres in its holdings on Battleview structure near Wainwright, Alta., where the company holds 15,596 acres on lease from the Alberta Government. Company has sublet 8,000 acres on Battleview anticline to Battleview Oils Ltd. and 1,000 acres on the same structure to South End Petroleums.

Recent successful drilling on this structure accounts for activity in this stock. This well, in which the company has a 2½% interest, came in on Sept. 8, with wet-gas flow estimated at between 60 to 80 million cubic feet daily. Officials expect a substantial production of oil. The company's interest in this well, plus the fact that it controls the entire structure directly or indirectly, makes future prospects fairly promising, although it should be remembered that such ventures are among the most highly speculative forms of market activity. A development programme which includes drilling of some new wells in Battleview area is to be carried out and results from this will largely determine the company's future position.

In the fiscal year ended April 30, 1937, company operated at a net loss of $1,445. Balance sheet as at April 30, 1937, showed current assets of $76,254 of which $75,670 was cash, while total liabilities, exclusive of capital stock, were only $5.

Cheltonia-Swastika Mines

Should appreciate a report on Cheltonia-Swastika Mines, in which I hold some shares.

Cheltonia-Swastika Mines Ltd. is still virtually inactive. The company owns gold and copper-gold prospects in the Kirkland Lake and Sudbury areas. Some development work has been done but has not demonstrated that these properties have any particular merit. Five of the company's claims in Eby and Otto Townships, Kirkland Lake area, are under lease to Selected International Gold Mines Ltd., of London, England.

Company is capitalized at $5 millions in $1 par value stock, of which $2,373,546 were outstanding, according to information it supplied us. Horace Kellum, Simcoe, Ont., is president of this company, which has not issued a financial statement and for whose stock there is no market as far as we are aware.

Power House Complete At Lake Geneva Mines

From Our Own Correspondent

SUDBURY. — The new power house replacing the one destroyed by fire last August, has been completed at the property of Lake Geneva Mines, it is reported by W. E. Bawden, general manager. The building is ready for the new Diesel engine and compressor, delivery of which is awaited. It is estimated that another month will be required to effect complete rehabilitation of the plant, and that the mine and mill should be in operation again by Dec. 1.

A quantity of concentrates is on hand at the mine the result of milling operations last summer previous to destruction of the power plant. Owing to the drop in metal prices there has been no move to ship the concentrates, which will likely be held for a more favorable opportunity.

Pato Consolidated Gold To Reduce Colombia Loan

From Our Own Correspondent

MONTREAL.—Pato Consolidated Gold Dredging is arranging to reduce considerably its peso loans in Colombia, and thereby save interest charges.

To enable it to carry out this transaction, Placer Development Ltd. and Oroville Dredging Co. have each undertaken to lend Pato Consolidated Gold Dredging $200,000 at 4% per annum.

In consideration of these loans, each of the companies has the right to call for an allotment of the whole or any part of 80,000 shares of Pato Consolidated at $2.50 a share net, for a period of one year.

Shenango Gold has completed the new roaster in which high grade concentrate is being treated to facilitate gold recovery. Company reports good progress with production and development programme at the Oba property in Algoma district. Millfeed is being obtained from the shaft vein.

Old Oil Field Gets New Life

Re-pressuring of Pennsylvania Area Claimed Successful

Operators in the veteran Pennsylvania crude oil field are reporting marked success in obtaining secondary production from areas formerly regarded as depleted, through a new re-pressuring method with air, gas and water. In pioneering this method of recovering oil, the oldest field on the continent is, in this respect, the most modern.

A few years ago, the Bradford field in McKean county, one of the oldest in the entire area, was threatening to shut down, yields not being sufficient to show a profit, although it was generally conceded that only about 25% of the oil had been obtained. A group of engineers, however, believed that they could rejuvenate the field by re-pressuring with water. They laid out the oil leases in 200-ft. squares, and drilled a well at each corner of the square, together with one in the middle. The four corner wells were used to pump water down into the oil sands. This added pressure forced the oil toward the centre, or producing well.

In other parts of the area, such as in Venango county, air and gas are used for re-pressuring.

The method, The Financial Post is informed by those acquainted with the field, has been eminently successful, and has been responsible for materially increasing the output in the area.

Canada's interest in this development at present is confined to investments in that area. The crude producing horizon in the Pennsylvania fields are much shallower than in Alberta's Turner Valley. Re-pressuring is accordingly more feasible in the United States field. Some re-pressuring of depleted Alberta fields, however, has been done by Imperial Oil Co., using natural gas as the agent.

Pennview Co., which has offered and is offering notes and stock in Canada, and has a Canadian directorate, has leases in Venango county, near Oil City, and applying the re-pressuring methods to its acreage.

HEADS MINES CHAMBER

J. D. McDonald, president of Vulcan Iron Works, has been elected president of the Manitoba Chamber of Mines, succeeding Lionel D. B. Baxter, who has been acting president of the chamber since its re-organization some months ago. J. P. DeWet was reappointed managing secretary. Mr. McDonald was born at Arran in Bruce County, Ontario, but has lived in Manitoba since 1898, when he became connected with the firm of which he is now president.

Mining News Concentrates

Delosha Porcupine Mines, about 1½ miles southeast of Falconbridge Nickel Mines, Sudbury district, plans to sink a series of holes on its property to about 150 feet to cut main vein below the 600-foot section opened by surface trenching and stripping. Consultant reports good values obtained along this length, free gold in evidence.

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Heva Cadillac Gold, holding 1,000 acres in Courville twp., Que., half a mile south of the Amos-Senneterre highway, reports a find which appears important on the holdings. J. J. Coghlan, president, advises that recent blasting has given interesting samples and that channel samples have returned assays running from $2 to $50. Overburden, which is quite heavy, has delayed progress of trenching. Diamond drill holes are now being spotted.

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Hugh Pam Porcupine Mines, west of Bonetal in Porcupine area, has discontinued work for the present. Results have been inconclusive. Hugh Pam, it is understood, has insufficient funds on hand for an extended development programme.

• • •

Lake Geneva Mining, in Hess twp., 40 miles northeast of Sudbury, is not expected to resume production until about Nov. 15 next, as the new Diesel engine will not be delivered until then. Lake Geneva is understood to have bought a hoist from McMillan Gold, former producer in the West River area.

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MacDonald Mines, in Dufresnoy twp., Que., reports surface work going forward uninterruptedly at its property north of Noranda. Test pit is being sunk to go below surface capping. Only after this work is completed can full width be ascertained.

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